Company Registration No. 07061987 (England and Wales)

TNK (2009) LIMITED

T/A THE NATURAL KITCHEN

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
COMPANY INFORMATION

Directors	R Burrow J Green E Bernerd
Company number	07061987
Registered office	50 Hans Crescent London England SW1X 0NA
Auditor	Goodman Jones LLP 29-30 Fitzroy Square London W1T 6LQ

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TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the period ended 31 December 2018.

Principal activities
The principal activity of the group is that of operating salad delicatessen, bar and restaurant business complemented by an outside catering operation.

There are currently nine locations all at busy locations in central London. These are at 77/78 Marylebone High Street, New Street Square (off New Fetter Lane) in the City of London, Trinity Square (underneath the Hilton Doubletree at Tower Hill) in the City of London, 55 Baker Street, 26 Tudor Street, Unit 14a-14b on The Balcony of Waterloo Rail Station, 176 Aldersgate Street and Barbican, Unit 1a Copthall Avenue in Angel Court and St. Katherine Docks.

The business at Baker Street operates through TNK (Baker Street) Limited.

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

R Burrow
J Green
E Bernerd

Results and dividends
The results for the period are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Auditor
In accordance with the company's articles, a resolution proposing that Goodman Jones LLP be reappointed as auditor of the group will be put at a General Meeting.

Statement of directors' responsibilities
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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board

....

Date: 26 September 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TNK (2009) LIMITED

Opinion
We have audited the financial statements of TNK (2009) Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2018 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows 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 group's and the parent company's affairs as at 31 December 2018 and of the group's loss for the period 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.

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 group's or the parent 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.

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 period 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 group and parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 company is entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

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 group's and the parent 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 group or the parent 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.

Use of our report

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.

Goodman Jones LLP

Amit Sharma (Senior Statutory Auditor)
for and on behalf of Goodman Jones LLP

27 September 2019

Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
London
W1T 6LQ

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2018

	Notes	Period ended 31 December 2018 £	Period ended 31 March 2018 £
Turnover	**3**	11,733,811	16,124,471
Cost of sales		(2,767,856)	(4,079,350)
Gross profit		8,965,955	12,045,121
Administrative expenses		(8,992,748)	(12,271,317)
Operating loss		(26,793)	(226,196)
Interest payable and similar expenses	**7**	(1,657)	(4,309)
Loss before taxation		(28,450)	(230,505)
Tax on loss	**8**	-	-
Loss for the financial period		(28,450)	(230,505)

Loss for the financial period is all attributable to the owners of the parent company.

Total comprehensive income for the period is all attributable to the owners of the parent company,

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
GROUP BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018 £	2018 £	2018 £	2018 £
Fixed assets					
Intangible assets	**9**		15,474		22,581
Tangible assets	**10**		2,924,324		3,074,969
			2,939,798		3,097,550
Current assets					
Stocks	**14**	96,156		107,521	
Debtors	**15**	1,130,338		1,809,615	
Cash at bank and in hand		282,829		341,480	
		1,509,323		2,258,616	
Creditors: amounts falling due within one year	**16**	(2,547,637)		(3,426,233)	
Net current liabilities			(1,038,314)		(1,167,617)
Total assets less current liabilities			1,901,484		1,929,933
Capital and reserves					
Called up share capital	**19**		3,107,862		3,107,862
Profit and loss reserves			(1,206,378)		(1,177,929)
Total equity			1,901,484		1,929,933

The financial statements were approved by the board of directors and authorised for issue on 26.09.2019 and ~~are~~ signed on its behalf by:

....
J Green
Director

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018 £	2018 £	2018 £	2018 £
Fixed assets					
Intangible assets	**9**		15,474		22,581
Tangible assets	**10**		2,700,319		2,812,954
Investments	**11**		1,001		1,001
			2,716,794		2,836,536
Current assets					
Stocks	**14**	90,816		96,658	
Debtors	**15**	2,075,557		2,581,585	
Cash at bank and in hand		216,475		227,409	
		2,382,848		2,905,652	
Creditors: amounts falling due within one year	**16**	(2,910,840)		(3,652,551)	
Net current liabilities			(527,992)		(746,899)
Total assets less current liabilities			2,188,802		2,089,637
Capital and reserves					
Called up share capital	**19**		3,107,862		3,107,862
Profit and loss reserves			(919,060)		(1,018,225)
Total equity			2,188,802		2,089,637

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £99,165 (2018 - £29,303 loss).

The financial statements were approved by the board of directors and authorised for issue on 26-09-2019 and are signed on its behalf by:

....
J Green
Director

Company Registration No. 07061987

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		1,000	(947,424)	(946,424)
Period ended 31 March 2018:				
Loss and total comprehensive income for the period		-	(230,505)	(230,505)
Issue of share capital	**19**	3,106,862	-	3,106,862
Balance at 31 March 2018		3,107,862	(1,177,929)	1,929,933
Period ended 31 December 2018:				
Loss and total comprehensive income for the period		-	(28,450)	(28,450)
Balance at 31 December 2018		3,107,862	(1,206,378)	1,901,484

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		1,000	(988,922)	(987,922)
Period ended 31 March 2018:				
Loss and total comprehensive income for the period		-	(29,303)	(29,303)
Issue of share capital	**19**	3,106,862	-	3,106,862
Balance at 31 March 2018		3,107,862	(1,018,225)	2,089,637
Period ended 31 December 2018:				
Profit and total comprehensive income for the period		-	99,165	99,165
Balance at 31 December 2018		3,107,862	(919,060)	2,188,802

TNK (2009) LIMITED
T/A THE NATURAL KITCHEN
GROUP STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2018

	Notes	2018		2018	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		476,722		(2,134,966)
Interest paid			(1,657)		(4,309)
Income taxes paid			-		(15,745)
Net cash inflow/(outflow) from operating activities			475,065		(2,155,020)
Investing activities					
Purchase of tangible fixed assets		(196,868)		(1,630,850)	
Proceeds on disposal of tangible fixed assets		-		88,463	
Net cash used in investing activities			(196,868)		(1,542,387)
Financing activities					
Proceeds from issue of shares		-		3,106,862	
Net cash (used in)/generated from financing activities			-		3,106,862
Net increase/(decrease) in cash and cash equivalents			278,197		(590,545)
Cash and cash equivalents at beginning of period			4,288		594,833
Cash and cash equivalents at end of period			282,485		4,288
Relating to:					
Cash at bank and in hand			282,829		341,480
Bank overdrafts included in creditors payable within one year			(344)		(337,192)

1 Accounting policies

Company information
TNK (2009) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 50 Hans Crescent, London, SW1X 0NA.

The group consists of TNK (2009) Limited and all of its subsidiaries.

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.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The 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 for parent company information presented within the consolidated financial statements:

- 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 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation
In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1 Accounting policies **(Continued)**

The consolidated financial statements incorporate those of TNK (2009) Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand.

The Group is in receipt of written support from its shareholders and the directors have made enquiries to form a reasonable expectation that the Group has adequate resources to continue in operational existence in the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.4 Reporting period

The comparative figures represent the 15 month period ended 31 March 2018. The current year figures represent the 9 month period from 1 April 2018 to 31 December 2018.

1.5 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation 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:

Patents	10 years straight line

1 Accounting policies **(Continued)**

1.7 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 Leasehold	Straight line over lease term
Plant and machinery	3 to 5 years straight line basis
Fixtures, fittings & equipment	3 to 10 years years straight line basis
Computer equipment	3 to 8 years straight line basis
Motor vehicles	3 years straight line

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 recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies **(Continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.11 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.

1.12 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 and cash and bank balances, 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group after deducting all of its 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.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities
Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

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

1.14 Derivatives
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.15 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 profit and loss account 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 group'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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is 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.

1.16 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 Accounting policies (Continued)

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.18 Leases

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 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2018 £	2018 £
Turnover analysed by class of business		
Catering	11,714,211	15,992,771
Other income	19,600	131,700
	11,733,811	16,124,471

	2018 £	2018 £
Turnover analysed by geographical market		
London	11,733,811	16,124,471

4 Auditor's remuneration

	2018 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	26,750	19,750
Audit of the financial statements of the company's subsidiaries	8,250	8,500
	35,000	28,250

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group 2018 Number	2018 Number	Company 2018 Number	2018 Number
	220	203	199	179

Their aggregate remuneration comprised:

	Group 2018 £	2018 £	Company 2018 £	2018 £
Wages and salaries	4,397,101	6,297,362	4,001,451	5,611,809
Social security costs	373,964	526,156	339,401	468,948
Pension costs	75,069	45,230	69,882	43,072
	4,846,134	6,868,748	4,410,734	6,123,829

6 Directors' remuneration

	2018 £	2018 £
Remuneration for qualifying services	140,000	194,167

7 Interest payable and similar expenses

	2018 £	2018 £
Other finance costs:		
Other interest	1,657	4,309

8 Taxation

The actual charge for the period can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2018 £	2018 £
Loss before taxation	(28,450)	(230,505)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(5,406)	(43,796)
Tax effect of expenses that are not deductible in determining taxable profit	4,950	93,127
Tax effect of utilisation of tax losses not previously recognised	23,568	-
Unutilised tax losses carried forward	(17,523)	34,082
Effect of change in corporation tax rate	-	(4,821)
Permanent capital allowances in excess of depreciation	(5,589)	(78,592)
Taxation charge	-	-

9 Intangible fixed assets

Group	Patents
	£
Cost	
At 1 April 2018 and 31 December 2018	94,753
Amortisation and impairment	
At 1 April 2018	72,172
Amortisation charged for the period	7,107
At 31 December 2018	79,279
Carrying amount	
At 31 December 2018	15,474
At 31 March 2018	22,581

Company	Patents
	£
Cost	
At 1 April 2018 and 31 December 2018	94,753
Amortisation and impairment	
At 1 April 2018	72,172
Amortisation charged for the period	7,107
At 31 December 2018	79,279
Carrying amount	
At 31 December 2018	15,474
At 31 March 2018	22,581

10 Tangible fixed assets

Group	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2018	1,381,709	441,166	2,538,333	210,437	14,898	4,586,543
Additions	38,708	50,910	86,371	20,879	-	196,868
At 31 December 2018	1,420,417	492,077	2,624,703	231,316	14,898	4,783,411
Depreciation and impairment						
At 1 April 2018	559,212	190,763	617,358	129,481	14,760	1,511,574
Depreciation charged in the period	61,914	52,188	203,709	29,564	138	347,513
At 31 December 2018	621,126	242,953	821,065	159,045	14,898	1,859,087
Carrying amount						
At 31 December 2018	799,291	249,124	1,803,638	72,271	-	2,924,324
At 31 March 2018	822,497	250,403	1,920,975	80,956	138	3,074,969

10 Tangible fixed assets **(Continued)**

Company	**Land and buildings Leasehold**	**Plant and machinery**	**Fixtures, fittings & equipment**	**Computer equipment**	**Motor vehicles**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
Cost						
At 1 April 2018	1,120,315	399,229	2,339,491	194,362	14,898	4,068,295
Additions	38,708	42,500	84,494	20,879	-	186,581
At 31 December 2018	1,159,023	441,730	2,423,984	215,241	14,898	4,254,876
Depreciation and impairment						
At 1 April 2018	487,640	177,173	458,919	116,849	14,760	1,255,341
Depreciation charged in the period	48,156	46,662	176,885	27,375	138	299,216
At 31 December 2018	535,796	223,836	635,803	144,224	14,898	1,554,557
Carrying amount						
At 31 December 2018	623,227	217,894	1,788,181	71,017	-	2,700,319
At 31 March 2018	632,675	222,056	1,880,572	77,513	138	2,812,954

11 Fixed asset investments

		Group		Company	
		2018	2018	2018	2018
	Notes	£	£	£	£
Investments in subsidiaries	12	-	-	1,001	1,001

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2018 and 31 December 2018	1,001
Carrying amount	
At 31 December 2018	1,001
At 31 March 2018	1,001

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
TNK (Baker Street) Limited	England and Wales	Restaurant business	Ordinary	100.00	
TNK (Trinity Square) Limited	England and Wales	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
TNK (Baker Street) Limited	(127,613)	(744,253)
TNK (Trinity Square) Limited	-	457,958

13 Financial instruments

	Group 2018 £	2018 £	Company 2018 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	445,986	643,176	1,455,664	1,582,313
Carrying amount of financial liabilities				
Measured at amortised cost	2,072,095	2,999,529	2,458,486	3,259,088

14 Stocks

	Group 2018 £	2018 £	Company 2018 £	2018 £
Finished goods and goods for resale	96,156	107,521	90,816	96,658

15 Debtors

	Group 2018 £	2018 £	Company 2018 £	2018 £
Amounts falling due within one year:				
Trade debtors	118,308	315,498	111,476	284,680
Amounts owed by group undertakings	-	-	1,016,510	969,955
Other debtors	327,678	327,678	327,678	327,678
Prepayments and accrued income	684,352	1,166,439	619,893	999,272
	1,130,338	1,809,615	2,075,557	2,581,585

16 Creditors: amounts falling due within one year

	Notes	Group 2018 £	2018 £	Company 2018 £	2018 £
Bank loans and overdrafts	17	344	337,192	344	337,192
Trade creditors		695,810	1,236,710	650,164	1,066,277
Amounts due to group undertakings		-	-	457,936	457,938
Other taxation and social security		475,542	426,704	452,354	393,463
Other creditors		671,251	661,449	671,251	661,449
Accruals and deferred income		704,690	764,178	678,791	736,232
		2,547,637	3,426,233	2,910,840	3,652,551

The bank overdraft and loan is secured by a first legal charge over the leasehold property held by the company, a fixed and floating charge over the assets of the company and personal guarantees given by certain shareholders of the company up to the value of £350,000.

17 Loans and overdrafts

	Group		Company	
	2018	2018	2018	2018
	£	£	£	£
Bank overdrafts	344	337,192	344	337,192
Payable within one year	344	337,192	344	337,192

18 Retirement benefit schemes

	2018	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	75,069	45,230

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19 Share capital

	Group and company	
	2018	2018
Ordinary share capital	£	£
Issued and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000
Preference share capital		
Issued and fully paid		
3,106,862 preference shares of £1 each	3,106,862	3,106,862

Ordinary class shares hold full voting and dividend rights.

Preference shares have no voting or dividend rights but have rights to capital distribution.

20 Financial commitments, guarantees and contingent liabilities

The group has provided security by way of a fixed and floating charge over the assets of the group in favour of the Bank of East Asia Limited.

21 Operating lease commitments

Lessee

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

	Group		Company	
	2018	2018	2018	2018
	£	£	£	£
Within one year	1,824,068	1,764,753	1,574,068	1,554,753
Between two and five years	7,413,259	6,806,432	6,343,259	5,966,432
In over five years	11,627,680	12,444,624	10,410,831	11,339,966
	20,865,007	21,015,809	18,328,158	18,861,151

22 Related party transactions

At the balance sheet date, short term shareholder loans amounted to £600,000 (March 2018: £600,000 short term loans).

The shareholder loans are subordinated in favour of Bank of East Asia, and repayment in full or in part requires the bank's prior permission.

23 Controlling party

The ultimate controlling party is R Burrow, a director of the company, and his family.

24 Cash generated from group operations

	2018	2018
	£	£
Loss for the period after tax	(28,450)	(230,505)
Adjustments for:		
Finance costs	1,657	4,309
Gain on disposal of tangible fixed assets	-	(2,000)
Amortisation and impairment of intangible assets	7,107	11,841
Depreciation and impairment of tangible fixed assets	347,513	510,991
Movements in working capital:		
Decrease/(increase) in stocks	11,365	(2,829)
Decrease/(increase) in debtors	679,277	(1,100,128)
(Decrease) in creditors	(541,747)	(1,326,645)
Cash generated from/(absorbed by) operations	476,722	(2,134,966)