

COMPANY REGISTRATION NUMBER: 09360077

**THE SUMMIT (CITY) PUB COMPANY LIMITED
FILLETED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2019**



THE SUMMIT (CITY) PUB COMPANY LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

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THE SUMMIT (CITY) PUB COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr A Bruce
Mr J Watson
Mr P McDonald
Mr S Robertson-Macleod

Registered office

First Floor
2 Wardrobe Place
London
United Kingdom
EC4V 5AH

Auditor

BSG Valentine (UK) LLP
Chartered Accountants & Statutory Auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

THE SUMMIT (CITY) PUB COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

31 MARCH 2019

	Note	31 Mar 19 £	£	25 Mar 18 £	£
Fixed assets					
Tangible assets	6		6,542,701		1,863,344
Current assets					
Stocks		38,920		16,763	
Debtors	7	771,730		324,098	
Cash at bank and in hand		1,699,017		6,919,235	
		2,509,667		7,260,096	
Creditors: amounts falling due within one year	8	(273,970)		(158,588)	
Net current assets			2,235,697		7,101,508
Total assets less current liabilities			8,778,398		8,964,852
Net assets			8,778,398		8,964,852
Capital and reserves					
Called up share capital			96,675		96,675
Share premium account			9,275,971		9,276,896
Profit and loss account			(594,248)		(408,719)
Shareholders funds			8,778,398		8,964,852

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 19/12/19 and are signed on behalf of the board by:



Mr J Watson
Director

Company registration number: 09360077

The notes on pages 3 to 8 form part of these financial statements.

THE SUMMIT (CITY) PUB COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is First Floor, 2 Wardrobe Place, London, EC4V 5AH, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going concern

The company made a loss for the period to 31 March 2019, and as at the period end has an accumulated loss as the balance of its profit and loss account of £594,248 (2018: £408,719).

However, at the period end the company has net current assets of £2,235,697 (2018: £7,101,508), including a bank balance of £1,699,017 (2018: £6,919,235), and has total shareholders funds of £8,778,398 (2018: £8,964,852). Furthermore the company has significant freehold assets which can either be realised or used to raise finance if required. The company continues to have the support of its investors, and the directors believe that should it be necessary, the company could also raise further finance from the issue of shares.

The company anticipates future profitability and is considered by the directors to be able to meet its liabilities as they fall due.

Based on this the directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies, that have an effect on the amounts recognised in the financial statements.

THE SUMMIT (CITY) PUB COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- **Tangible fixed assets and depreciation** - tangible fixed assets are initially recorded at cost and are then depreciated over their estimated useful economic lives, as detailed in the below accounting policy. The carrying value of tangible fixed assets is reviewed by reference to the estimated value in use of the asset, and the estimated potential realisable amount on disposal.
- **Deferred tax** - deferred tax assets are recognised based upon the estimated timing and level of future taxable profits.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually at the point of sale.

Accommodation income is recognised in the period to which it relates.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

THE SUMMIT (CITY) PUB COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Short leasehold property	-	Over the lease term
Fixtures and fittings	-	12% straight line
Equipment	-	50% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

THE SUMMIT (CITY) PUB COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

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

4. Employee numbers

The average number of persons employed by the company during the period amounted to 41 (2018: 19).

5. Taxation

The company has estimated tax losses of £976,443 (2018: £653,000) available to be carried forward and offset against future taxable profits.

THE SUMMIT (CITY) PUB COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

6. Tangible assets

	Freehold property £	Short leasehold property £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 26 March 2018	725,265	385,810	890,567	906	2,002,548
Additions	4,044,187	38,182	716,450	36,290	4,835,109
At 31 March 2019	<u>4,769,452</u>	<u>423,992</u>	<u>1,607,017</u>	<u>37,196</u>	<u>6,837,657</u>
Depreciation					
At 26 March 2018	17,128	10,168	111,878	30	139,204
Charge for the period	24,836	22,021	100,153	8,742	155,752
At 31 March 2019	<u>41,964</u>	<u>32,189</u>	<u>212,031</u>	<u>8,772</u>	<u>294,956</u>
Carrying amount					
At 31 March 2019	<u>4,727,488</u>	<u>391,803</u>	<u>1,394,986</u>	<u>28,424</u>	<u>6,542,701</u>
At 25 March 2018	<u>708,137</u>	<u>375,642</u>	<u>778,689</u>	<u>876</u>	<u>1,863,344</u>

7. Debtors

	31 Mar 19 £	25 Mar 18 £
Trade debtors	1,202	–
Other debtors	770,528	324,098
	<u>771,730</u>	<u>324,098</u>

8. Creditors: amounts falling due within one year

	31 Mar 19 £	25 Mar 18 £
Trade creditors	115,387	69,521
Social security and other taxes	20,669	11,902
Other creditors	137,914	77,165
	<u>273,970</u>	<u>158,588</u>

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Mar 19 £	25 Mar 18 £
Not later than 1 year	195,500	105,500
Later than 1 year and not later than 5 years	782,000	422,000
Later than 5 years	2,480,675	1,776,625
	<u>3,458,175</u>	<u>2,304,125</u>

THE SUMMIT (CITY) PUB COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
PERIOD FROM 26 MARCH 2018 TO 31 MARCH 2019

10. Events after the end of the reporting period

Subsequent to the period end, the company exchanged contracts on the acquisition of a leasehold site for a purchase price of £2,400,000.

11. Summary audit opinion

The auditor's report for the year was unqualified.

The senior statutory auditor was Luke Richardson BSc FCA, for and on behalf of BSG Valentine (UK) LLP.

12. Related party transactions

At the period end the company was owed £151,630 (2018: £152,633) by a company under common control and with directors in common. This balance is unsecured, short term and non-interest bearing.

At the period end the company owed £42,220 (2018: £4,724) to companies under common control and with directors in common. These balances are unsecured, short term and non-interest bearing.