

Bermondsey Pub Company Limited

Report and Accounts

30 September 2015

Registered Company Number: 08836925



Bermondsey Pub Company Limited

COMPANY INFORMATION

DIRECTORS

N R Smith
W S Townsend
P J Harbottle

SECRETARY

L Togher

AUDITOR

Ernst & Young LLP
No. 1 Colmore Square
Birmingham
B4 6HQ

REGISTERED OFFICE

3 Monkspath Hall Road
Solihull
West Midlands
B90 4SJ

Bermondsey Pub Company Limited

DIRECTORS' REPORT

Registered No: 08836925

The directors present their report and accounts for the year ended 30 September 2015 with the prior period being the 38 weeks ended 30 September 2014.

The directors' report has been prepared in accordance with the special provisions of s415A of the Companies Act 2006 relating to small entities.

PRINCIPAL ACTIVITIES

Bermondsey Pub Company Limited ("the Company") was incorporated on 8 January 2014 in the name of Superiorblue Limited. On 25 February 2014 the Company name was changed to Bermondsey Pub Company Limited. The Company is a wholly owned subsidiary within the group headed by its ultimate parent company, Enterprise Inns plc, and operates as part of the group of companies owned by Enterprise (the "Group"). The principal activity of the Company is the operation of public houses in the United Kingdom. These public houses are owned by fellow Group companies and leased to the Company.

At 30 September 2015 the company managed the operation of 14 public houses and plans to expand operations in the future.

RESULTS AND DIVIDENDS

The loss before tax for the period amounted to £926,000 (2014: £169,000) primarily due to costs incurred establishing the business operations. The directors do not recommend the payment of a dividend.

DIRECTORS

The directors of the Company during the year ended 30 September 2015 and since the end of the year were as follows:

N R Smith
W S Townsend
P J Harbottle (appointed 10 June 2015)

The directors in office have no beneficial interest in the shares of the Company.

N R Smith and W S Townsend are also directors of the ultimate parent company, Enterprise Inns plc, and their interests in the share capital of that company are shown in its accounts.

STATEMENT OF DISCLOSURE TO AUDITOR

The directors who are members of the Board at the time of approving the Directors' Report are listed above. The directors confirm that:

- To the best of the directors' knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware, and
- The directors have taken all the steps that they ought to have taken to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Bermondsey Pub Company Limited

DIRECTORS' REPORT (CONTINUED)

Registered No: 08836925

GOING CONCERN

The Company is dependent upon continuing financial assistance being made available from its parent Enterprise Inns plc, to enable it to continue operating and meeting its liabilities as they fall due. The finance and support are expected to be available for the foreseeable future.

The Directors have considered the impact of the Small Business, Enterprise and Employment Act which includes the introduction of a Statutory Code for the sector and a Market Rent Only option for certain leased pubs.

Based on the form of the final legislation, the current anticipated timetable for implementation and the alternative actions available to the Enterprise group in response to the legislation, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

By order of the Board



L Togher
Company Secretary
14 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Directors' 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 judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERMONDSEY PUB COMPANY LIMITED

We have audited the financial statements of Bermondsey Pub Company Limited for the period ended 30 September 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERMONDSEY PUB COMPANY
LIMITED (CONTINUED)

Matters on which we are required to report by exception

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 take advantage of the small companies' exemption in not preparing the Strategic Report.


Andrew Merrick (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

17/6/16

Bermondsey Pub Company Limited

PROFIT AND LOSS ACCOUNT

Year ended 30 September 2015

	Note	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Turnover	3	3,940	407
Operating costs		<u>(4,866)</u>	<u>(576)</u>
OPERATING LOSS	4	<u>(926)</u>	<u>(169)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		<u><u>(926)</u></u>	<u><u>(169)</u></u>

There are no amounts of other comprehensive income arising. Therefore, no separate statement of other comprehensive income is presented.

All operations are continuing.

Bermondsey Pub Company Limited

BALANCE SHEET

At 30 September 2015

	Note	2015 £000	2014 £000
CURRENT ASSETS			
Stock	9	154	45
Debtors	10	275	41
Cash at bank and in hand		169	69
		<u>598</u>	<u>155</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(1,693)</u>	<u>(324)</u>
NET CURRENT LIABILITIES		<u>(1,095)</u>	<u>(169)</u>
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Profit and loss account		(1,095)	(169)
SHAREHOLDERS' DEFICIT		<u>(1,095)</u>	<u>(169)</u>

The financial statements were approved by the Board and signed on its behalf by:



N R Smith
Director
14 June 2016

Bermondsey Pub Company Limited

STATEMENT OF CHANGES IN EQUITY

At 30 September 2015

	Share capital	Profit and Loss Account	Total
	£000	£000	£000
At 30 September 2014	-	(169)	(169)
Loss for the year	-	(926)	(926)
	-		
At 30 September 2015		(1,095)	(1,095)
At 8 January 2014	-	-	-
Loss for the period	-	(169)	(169)
	-		
At 30 September 2014		(169)	(169)

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements were approved by the Board for issue on 14 June 2016.

The financial statements were prepared in accordance with applicable accounting standards and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The financial statements are prepared under the historical cost convention.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 30 September 2015. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000s).

2. ACCOUNTING POLICIES

Basis of preparation

The company continues to adopt FRS 101 early as permitted by the standard. The company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirements of IFRS 7 Financial Instruments: Disclosure
- The requirements of paragraph 134-136 of IAS 1 Presentation of financial statements to disclose information about capital and how it is managed
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to provide information about the impact of IFRS's that have been issued but are not yet effective
- The requirements of paragraphs 10(d) and 111 of IAS 1 and the requirements of IAS 7 Statement of Cash Flows
- The requirements of IAS 24 Related Party Transactions to disclose transactions entered into between two parties wholly owned within the same group
- The requirements of paragraph 16 of IAS 1 to make an explicit and unreserved statement of compliance with IFRS

The directors consider that the accounting policies set out below are suitable, have been consistently applied unless otherwise stated and are supported by reasonable and prudent judgements and estimates.

The Company is a wholly, indirectly, owned subsidiary of Enterprise Inns plc, a company registered in England and Wales. Bermondsey Pub Company Limited is included within the consolidated accounts of Enterprise Inns plc.

Judgements and key sources of estimation uncertainty

The Company makes estimations and assumptions during the preparation of the financial statements. Actual results may differ from these estimates under different assumptions and conditions. The estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Prepayments and accrued income

Estimates have been made in respect of the allocation of services, already paid for, to the current financial year.

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

2. ACCOUNTING POLICIES (CONTINUED)

Accruals and deferred income

Estimates have been made in respect of the allocation of services, not yet paid for, to the current financial year.

Taxation

Judgement is required when determining the provision for taxes as the tax treatment of some transactions cannot be finally determined until a formal resolution has been reached with tax authorities. Tax benefits are not recognised unless it is probable that the benefit will be obtained. Tax provisions are made if it is expected that a liability will arise. The Company reviews each significant tax liability or benefit to assess the appropriate accounting treatment.

Going concern

The Company is dependent upon continuing financial assistance being made available from its parent Enterprise Inns plc, to enable it to continue operating and meeting its liabilities as they fall due. The finance and support are expected to be available for the foreseeable future and the directors believe that it is therefore appropriate to prepare accounts on a going concern basis.

Turnover

Turnover represents external sales (excluding taxes) of goods and services, net of discounts. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and is measured at the fair value of consideration receivable, excluding discounts, rebates, and other sales taxes or duty. Turnover principally consists of drink and food sales, which are recognised at the point at which goods or services are provided.

Taxation

The tax expense comprises both the tax payable based on taxable profits for the year and deferred tax. Deferred tax is provided using the balance sheet liability method in respect of temporary differences between the carrying value of assets and liabilities for accounting and tax purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. No deferred tax is recognised if the taxable temporary difference arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and the intention is to either settle on a net basis or realise the asset and liability simultaneously. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and the assets and liabilities relate to taxes levied by the same tax authority which are intended to be settled net or simultaneously.

Tax is charged or credited to Other Comprehensive Income if it relates to items that are charged or credited to Other Comprehensive Income. Similarly tax is charged or credited directly to equity if it relates to items charged or credited directly to equity. Otherwise tax is charged in the Income Statement. Tax is calculated using tax rates enacted or substantively enacted at the Balance Sheet date.

Operating leases

Leases where substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals paid under operating leases are charged on a straight line basis to the Profit and Loss Account over the lease term.

Stock

Stock is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

3. TURNOVER

Turnover includes food and drink sales and gaming machine income.

All turnover arises in the United Kingdom.

4. OPERATING LOSS

This is stated after charging:

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Cost of goods sold	1,820	196
Operating lease rentals	130	44
Other operating expenses	2,916	336
	<u>4,866</u>	<u>576</u>

5. AUDITOR'S REMUNERATION

The audit fees of the Company for the year ended 30 September 2015 of £13,600 (period ended 30 September 2014: £8,000) are borne by another group company.

6. DIRECTORS' EMOLUMENTS

The directors' roles within the Company are deemed to be incidental to their wider roles within the group and therefore the Company bears no cost in relation to these directors.

7. STAFF NUMBERS AND COSTS

Staff costs consist of:

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Wages and salaries	1,397	167
Social security costs	84	11
	<u>1,481</u>	<u>178</u>

The average number of employees during the year ended 30 September 2015 was 147 (period ended 30 September 2014: 17).

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

8. TAXATION

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
a) Analysis of charge in year		
Current tax (note 8b)		
UK Corporation tax	-	-
	<hr/>	<hr/>
Tax charge on the loss on ordinary activities	-	-
There is no deferred tax charge for the current or prior year	<hr/>	<hr/>

b) Factors affecting total tax charge for year

The tax assessed on the profit on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 20.5% (2014: 22%). The differences are explained below:

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Loss on ordinary activities before taxation	(926)	(169)
Loss on ordinary activities before taxation at 20.5% (2014: 22%)	(190)	(37)
Effects of:		
Group relief surrendered for nil consideration	190	37
	<hr/>	<hr/>
Total tax charge for the year (note 8a)	-	-
	<hr/>	<hr/>

c) Factors affecting future tax charges

The current rate of corporation tax is 20%, however the UK Government previously announced and substantively enacted a reduction in the rate of corporation tax of 1% to 19% by 1 April 2017 and an additional 1% to 18% by 1 April 2020. In March 2016 the UK Government announced its intention to further reduce the corporation tax rate to 17% by 1 April 2020 however this has not yet been substantively enacted.

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

9. STOCK

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Goods for resale	<u>154</u>	<u>45</u>

10. DEBTORS

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Other debtors	36	2
Prepayments and accrued income	226	39
Amounts due to group undertakings	13	-
	<u>275</u>	<u>41</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Trade creditors	242	47
Other creditors	188	42
Accruals and deferred income	108	26
Amounts due to group undertakings	1,155	209
	<u>1,693</u>	<u>324</u>

Amounts due to group undertakings have no fixed repayment terms and are unsecured amounts.

Bermondsey Pub Company Limited

NOTES TO THE ACCOUNTS

At 30 September 2015

12. LEASES

The company leases their estate from other group companies under operating leases.

	Year ended 30 September 2015 £000	Period ended 30 September 2014 £000
Operating lease rentals recognised as an expense in the period	130	44
Future minimum lease payments due under operating leases:		
Within one year	713	151
After one year but not more than five years	2,541	560
	3,254	711

13. SHARE CAPITAL

	2015		2014	
	No.	£000	No.	£000
Authorised				
Ordinary shares of £1 each	1	-	1	-
Called up, allotted and fully paid				
Ordinary shares of £1 each	1	-	1	-

14. PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Enterprise Managed Investments Limited, a company incorporated in the United Kingdom and registered in England and Wales. The Company's ultimate and controlling parent undertaking is Enterprise Inns plc, a company incorporated in the United Kingdom and registered in England and Wales. Copies of its group accounts, which include the Company, may be obtained from 3 Monkspath Hall Road, Solihull, West Midlands B90 4SJ.