

Company Registration No. 07769260 (England and Wales)

Brewhouse & Kitchen Limited

**Annual report and
group financial statements
for the year ended 28 September 2024**

Brewhouse & Kitchen Limited

Company information

Directors	Kristian Gumbrell Simon Bunn Paul Adams David Maxwell Scott Jean Visser Gurinder Birah	(Appointed 3 November 2023)
Secretary	Khepri Corporate Services Limited	
Company number	07769260	
Registered office	The Old Mill House Merretts Mills Industrial Centre Woodchester Stroud Gloucestershire GL5 5EX	
Independent auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE	

Brewhouse & Kitchen Limited

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The directors present the strategic report for the Period ended 28 September 2024.

Fair review of the business

The full financial results for Brewhouse and Kitchen Limited for the period ending 28 September 2024 are shown in the Comprehensive Statement of Income on page 12 of the accounts.

Progress in the year was mixed. The backcloth of continuing high energy costs, election jitters, and an unseasonably wet summer did not inspire consumer confidence. Overall, our sales remained at the level of the prior year. Company EBITDA was also to the same level. Margins showed small improvements for liquor, food, and wages. Profit Before Interest improved and was £189k versus a loss of £675k in the prior year. Trading cash flow was also positive, and our cash position remained (and remains) strong.

During the year, finding a route to liquidity continued to be a major objective. Since our four most recent freehold acquisitions (Cardiff, Southsea, Worthing, and Chelmsford) had all matched or exceeded our expectations, we felt (and feel) that we know the type of site that best fits the B&K brand. Accordingly, we sought to raise more funds by means of a Rights Issue so that we could then expand the estate and thereby increase the attractiveness of the business. We hoped to raise £4.1m. Unfortunately, we only raised £1.2m. During the process it became clear that investor appetite for the pub sector was by no means strong. In more recent months the arrival of the Labour government has made our sector even less attractive to investors. The Company does believe that workers rights should be protected but there are aspects of the proposed legislation that will be extremely damaging for a modern hospitality business. Moreover, the sharp increase to National Insurance contributions amounts to nothing more than a punitive tax on employers and jobs; and therefore a brake to growth. This will have consequences for the future profitability of the entire hospitality sector. Consequently, we have had to rethink our strategic plan.

Our current intention is to consolidate and conserve cash until we can assess the impact of the government's latest increases in NI, and NMW. These took effect from the beginning of April. In response to these increases we have been obliged, like everyone else in our sector, to raise our prices. We have also reshaped our head office team in a manner that will streamline its structure.

We are however pressing ahead with our plan to transform the site at Southbourne into a brewpub with rooms by converting the space above the brewpub into 14 hotel rooms. The conversion will start as soon as planning is approved. Meanwhile we shall continue to carry out low cost enhancements to our more mature brewpub sites.

In more recent months, and during the current year, we have had to take account of the extra costs of food, liquor, labour, and energy as well as the successive increases in taxation. Because of this and taking into account the on-going shifts in consumer behaviour we have repositioned some of our smaller high street sites into the more viable craft house format. This meant taking out the costly micro-breweries and then providing a more relevant and modern street food offering. We have also introduced a delivery service from the craft houses.

Financial performance

1. Total Gross profit margin is 77%
2. Group turnover is £16.3m (2023: £16.7m)
3. The Group reported an Operating profit of £189k (2023: loss of £675k)
4. Shareholders equity has increased year on year to £14.7m (2023: £13.9m)

Principal risks and uncertainties

- COVID: a new variant of the pandemic.
- Further disruptions emanating from the wars in Ukraine and the Middle East.
- A significant and adverse change in consumer behaviour: we continue to monitor trends as they emerge.
- Economic: the strength of the regional economy is a principal determinant of our success, and reduced consumer spending could adversely affect our performance. However, we mitigate this by proactively responding to changing consumer trends (e.g. the transformation of some sites to the craft house format). We are also exposed to tariff disputes as well as swings in foreign exchange as we purchase raw materials for the breweries in US\$, and capital items for the breweries from China.
- Weather: having as we do, so many beer gardens means that our performance can always be affected by the weather.
- Food Inflation has been incredibly challenging. Because of the extra regulation resulting from Brexit, imported food items are taking longer to enter the UK market. This has driven up cost and reduced shelf life. We hope that some of the recent developments by the new government will yield results through less red tape.
- Regulation and tax: the drinks industry is heavily regulated and taxed through excise duty. There is a risk that future increases could affect the market and our profitability.
- Operational brands and reputation: the Company has an increasing range of brands and an excellent reputation; this could be adversely affected by unexpected events/incidents.
- Financial: The Company has loans of £6.5m.
- Energy: The utility market remains very volatile in terms of pricing. Whilst there has been improvement, it remains much higher compared to pre-war and pre-pandemic levels. We expect this to continue for at least the next 2 years.

Key performance indicators

The core areas that are normally measured in each monthly set of management accounts are:

- Year on year sales growth.
- Liquor gross margin.
- Brewery and food gross margins.
- Individual unit wages expressed as a % of total sales.
- EBITDA % improvement per site year on year.
- Return on capital employed per site %.
- Reputational scores.

Corporate social responsibility

Our people are critical for our success. We have continued to support our teams' physical, financial, and mental wellbeing through various support initiatives. Our team turnover is now at a record low of 53%, and vacancy rates are averaging 5% versus a sector average of over 10%.

It has also been a year of continued growth, recognition, and people-focused achievement at Brewhouse & Kitchen. We are proud that once again, following a full colleague engagement survey, we have been accredited by Best Companies, maintaining our standing as one of the UK's top employers. This recognition reflects our continued commitment to creating a supportive, engaging, and inclusive culture across all the sites where our colleagues enjoy working.

A key focus has been our investment in learning and development, particularly through apprenticeships. We are delighted to have met our goal of ensuring at least 5% of our total workforce is engaged in apprenticeship programmes. These apprenticeships span across front-of-house, kitchen, brewing, and leadership roles. They provide team members with valuable opportunities to grow their skills and careers while supporting the long-term succession of talent within our business.

Our dedication to our people has also been recognised externally through several prestigious industry awards. This year alone we have been recognised as winners of the 'Empowering People' award by SIBA, and 'Best Apprenticeship Strategy' by both Springboard and the BII National Innovation in Training Awards (NITAS). In addition, we have been finalists in several award categories for Best Employer, Disability Confidence, and Best Recruitment Initiative for our industry's leading work experience programme. These accolades are a testament to the effectiveness of our approach to people development, well-being, and employee engagement.

The business had another outstanding year in terms of reputation and recognition. Our reputation scores across Tripadvisor, Google and Facebook continue to track at 4.5 out of 5. We understand that this is one of the highest ratings of any managed-house pub group in the UK hospitality market. It demonstrates our commitment to great service, beer, and food.

Through our participation in Peddling for Pubs (recently newnamed Hospitality Rides) in Sri-Lanka, Yorkshire, Keyna, Devon, Taiwan and The Lake District, Peddling for and to Pubs has raised over £1.6m for the Licensed Trade Charity and Only a Pavement Away. Through these endeavours the Company has raised £17,667 for charity over the last three years. Additionally during the year under review, and as part of our 10th birthday celebrations, a number of our brewpubs have undertaken local fundraising initiatives to benefit their local communities.

Brewhouse and Kitchen have continued to make progress towards being carbon neutral and each year we have calculated our emissions based on consumption. This has allowed us to offset our impact whilst continuing to explore ways to reduce our impact on the environment. We have partnered with Ecologi and you can track our progress by visiting: <https://ecologi.com/brewhouseandkitchen>. To date through our contributions we have offset 3387.6 tonnes of CO₂ which is equivalent to 8400 miles driven in a car. We have also planted 3032 trees (local and international).

Further to the above the Company replaced its office printing machines with heat-free alternatives which are expected to reduce our energy consumption for printing processes by 87%. We have also installed digital screens in our kitchens which help us better manage our environmental impact by not using paper to receive our customers' orders.

Our waste management company has continued to work with our general managers to refine and maintain their recycling rates. During the reported period the company averaged 71.5% of our waste being recycled. This will exclude any brewery waste where it goes directly to farmers and local allotments.

Our key food and drink suppliers have continued to work with us to reduce the amount of secondary packaging. We are currently recycling 57% of our used oil into bio-diesel. During the energy crises oil theft has grown exponentially within our industry due to much higher values obtained for recycled oil. This has caused our recycling rate to reduce by 10%. But in July 24 we introduced oil testing to improve food quality and to prevent oil wastage. This has yielded an initial reduction of 30% in oil consumption.

Brewhouse & Kitchen Limited

Strategic report (continued)

For the period ended 28 September 2024

Our planting strategy has been updated where possible, using more evergreen plants that are more sustainable (less water consumption) along with combining faux plants when it is not sustainable to maintain and grow real plants.

Recent performance and future outlook

Post year end, the company entered into a new £4m loan facility on a 5 year term provided by LHV Bank to refinance in full the existing loan provider. Furthermore, the existing loan with Barclays Bank plc has also been extended for a further 5 years.

We have maintained our consultancy with Prestige Purchasing. They presented their outlook on food and drink inflation in December 24; a subject that throughout the period under review remained extremely challenging. The Food Price Index (FPI) rose to 19.4% in 2023. Thankfully, at 5.9% it was more settled in 2024. Likewise, the figures for CPI were 14.7% and 2.9% in 2023 and 2024 respectively. Additionally, micro issues around beef, poultry & cooking oil have continued to drive FPI upwards, although to levels less than in previous years. Nonetheless it remains a challenge to manage. Key drivers of inflation in our sector have been commodities, wages, energy and fuel. The energy markets remain stubborn because it is driven by geopolitical conflicts and high wholesale prices. But we expect the market to settle and stabilise in the next 2 years. We continue to acquire our energy by means of a hybrid model through fixing our non-commodity costs and hedging our energy requirements on the wholesale market.

During the first 35 weeks of the current year like for like sales increased by 2.5%. With the subdued market, and the ongoing, and ever increasing, pressures on the hospitality sector, we continue to focus on improving efficiency and productivity whilst striving to protect margins and profitability. The pressure on food margins, energy costs, wages and employment costs, as well as the loss of business rate relief have all conspired to create a perfect storm of operational and financial challenges. The guest can only deal with so many price increases. We are doing all we can to minimise those increases without reducing our margins.

For the reasons outlined above, 2025 is a year that continues to be challenging. However, we are optimistic because we are a premium, mainly freehold business that is well established, has a skilled and loyal team, and is ready to take the opportunity to expand when the conditions improve.

As indicated above, investor sentiment towards our sector is at an all-time low. Despite that we shall keep an eye open for any creative opportunity that might arise. It is the Company's intention to create liquidity for shareholders by introducing a matched bargain service (Asset Match) which we shall launch within the next quarter, subject to shareholder approval.

Going Concern

The company has a strong management team, a high-quality estate that is being continually enhanced, and a strong balance sheet. Given the willingness and support entrusted in the company from both the existing and new bank, the directors therefore have a reasonable expectation that the company is a going concern for at least 12 months from the date of signing the accounts.

On behalf of the board



Kristian Gumbrell (23 Jun 2025, 5:56am)

Director

23 Jun 2025

Date:

Brewhouse & Kitchen Limited

Directors' report

For the period ended 28 September 2024

The directors present their annual report and financial statements for the Period ended 28 September 2024.

Principal activities

The principal activity of the company is that of building and operating a chain of branded brewpubs.

Results and dividends

The results for the Period are set out on page 12.

No ordinary dividends were paid.

Directors

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

Kristian Gumbrell
Simon Bunn
Paul Adams
David Maxwell Scott
Jean Visser
Gurinder Birah

(Appointed 3 November 2023)

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Auditor

Saffery LLP have expressed their willingness to continue in office.

Strategic report

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of its fair review of the business, details of the group's risks and uncertainties and also its future developments.

Brewhouse & Kitchen Limited

Directors' report (continued)

For the period ended 28 September 2024

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.

Medium-sized companies exemption

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

On behalf of the board



Kristian Gumbrell (Jun 23, 2025, 5:56am)

Director

23 Jun 2025

Date:

Brewhouse & Kitchen Limited

Directors' responsibilities statement

For the period ended 28 September 2024

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.

Opinion

We have audited the financial statements of Brewhouse & Kitchen Limited (the 'parent company') and its subsidiaries (the 'group') for the Period ended 28 September 2024 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, 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 and of the parent company's affairs as at 28 September 2024 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 group and parent 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent auditor's report (continued)
To the members of Brewhouse & Kitchen Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial Period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

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 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 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.

Brewhouse & Kitchen Limited

Independent auditor's report (continued)

To the members of Brewhouse & Kitchen Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Brewhouse & Kitchen Limited

Independent auditor's report (continued)

To the members of Brewhouse & Kitchen Limited

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lucy Brennan (Senior Statutory Auditor)

For and on behalf of Saffery LLP

24 June 2025
Date:

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Brewhouse & Kitchen Limited**Group statement of comprehensive income
For the period ended 28 September 2024**

		Period ended 28 September 2024 £	Period ended 30 September 2023 £
	Notes		
Turnover	3	16,294,681	16,686,966
Cost of sales		(3,753,178)	(3,915,388)
Gross profit		12,541,503	12,771,578
Administrative expenses		(12,560,531)	(13,512,427)
Other operating income		278,629	343,624
Exceptional item	4	(70,549)	(277,563)
Operating profit/(loss)	5	189,052	(674,788)
Interest receivable and similar income	9	101,841	72,700
Interest payable and similar expenses	10	(715,070)	(570,832)
Loss before taxation		(424,177)	(1,172,920)
Tax on loss	11	-	-
Loss for the financial Period		(424,177)	(1,172,920)

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.

Brewhouse & Kitchen Limited**Group statement of financial position
As at 28 September 2024**

		28 September 2024		30 September 2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	20,330,148		21,546,574	
Current assets					
Stocks	16	308,517		327,871	
Debtors	17	1,389,540		1,140,948	
Cash at bank and in hand		2,629,743		1,293,381	
		<u>4,327,800</u>		<u>2,762,200</u>	
Creditors: amounts falling due within one year	18	<u>(9,904,288)</u>		<u>(10,345,317)</u>	
Net current liabilities			<u>(5,576,488)</u>		<u>(7,583,117)</u>
Total assets less current liabilities			14,753,660		13,963,457
Provisions for liabilities					
Deferred tax liability	20	<u>22,673</u>	<u>(22,673)</u>	<u>22,673</u>	<u>(22,673)</u>
Net assets			<u>14,730,987</u>		<u>13,940,784</u>
Capital and reserves					
Called up share capital	23	11,718,990		11,111,800	
Share premium account		14,749,574		14,142,384	
Other reserves		102,753		102,753	
Profit and loss reserves		(11,840,330)		(11,416,153)	
Total equity			<u>14,730,987</u>		<u>13,940,784</u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 23 Jun 2025 and are signed on its behalf by:



Kristian Gumbrell
Director

Company registration number 07769260 (England and Wales)

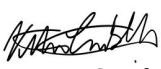
Brewhouse & Kitchen Limited**Company statement of financial position
As at 28 September 2024**

		28 September 2024		30 September 2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	20,330,148		21,546,574	
Investments	14		2		1
		20,330,150		21,546,575	
Current assets					
Stocks	16	308,517		327,871	
Debtors	17	1,389,540		1,140,948	
Cash at bank and in hand		2,629,743		1,293,381	
		4,327,800		2,762,200	
Creditors: amounts falling due within one year	18	(9,904,108)		(10,345,136)	
Net current liabilities			(5,576,308)		(7,582,936)
Total assets less current liabilities		14,753,842		13,963,639	
Provisions for liabilities					
Deferred tax liability	20	22,673		22,673	
			(22,673)		(22,673)
Net assets		14,731,169		13,940,966	
Capital and reserves					
Called up share capital	23	11,718,990		11,111,800	
Share premium account		14,749,574		14,142,384	
Other reserves		102,753		102,753	
Profit and loss reserves		(11,840,148)		(11,415,971)	
Total equity		14,731,169		13,940,966	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £424,177 (2023 - £1,172,920 loss).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 23 Jun 2025 and are signed on its behalf by:


 Kristian Gumbrell
 Director

Company registration number 07769260 (England and Wales)

Brewhouse & Kitchen Limited

Group statement of changes in equity For the period ended 28 September 2024

	Notes	Share capital £	Share premium account £	Equity share based payments £	Profit and loss reserves £	Total £
Balance at 25 September 2022		11,111,800	14,142,384	70,356	(10,243,233)	15,081,307
Period ended 30 September 2023:						
Loss and total comprehensive income		-	-	-	(1,172,920)	(1,172,920)
Transfers		-	-	32,397	-	32,397
Balance at 30 September 2023		11,111,800	14,142,384	102,753	(11,416,153)	13,940,784
Period ended 28 September 2024:						
Loss and total comprehensive income		-	-	-	(424,177)	(424,177)
Issue of share capital	23	607,190	607,190	-	-	1,214,380
Balance at 28 September 2024		11,718,990	14,749,574	102,753	(11,840,330)	14,730,987

Brewhouse & Kitchen Limited

Company statement of changes in equity For the period ended 28 September 2024

	Notes	Share capital £	Share premium account £	Equity share based payments £	Profit and loss reserves £	Total £
Balance at 25 September 2022		11,111,800	14,142,384	70,356	(10,243,051)	15,081,489
Period ended 30 September 2023:						
Loss and total comprehensive income for the period		-	-	-	(1,172,920)	(1,172,920)
Transfers		-	-	32,397	-	32,397
Balance at 30 September 2023		11,111,800	14,142,384	102,753	(11,415,971)	13,940,966
Period ended 28 September 2024:						
Profit and total comprehensive income		-	-	-	(424,177)	(424,177)
Issue of share capital	23	607,190	607,190	-	-	1,214,380
Balance at 28 September 2024		11,718,990	14,749,574	102,753	(11,840,148)	14,731,169

Brewhouse & Kitchen Limited

Group statement of cash flows

For the period ended 28 September 2024

	Notes	£	2024 £	£	2023 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		1,139,716		(174,462)
Interest paid			(715,070)		(446,849)
Net cash inflow/(outflow) from operating activities			424,646		(621,311)
Investing activities					
Purchase of tangible fixed assets		(467,732)		(2,437,789)	
Proceeds from disposal of tangible fixed assets		441,500		-	
Interest received		101,841		72,700	
Net cash generated from/(used in) investing activities			75,609		(2,365,089)
Financing activities					
Proceeds from issue of shares		1,214,380		-	
Proceeds from borrowings		-		1,800,000	
Repayment of bank loans		(378,273)		(382,530)	
Net cash generated from financing activities			836,107		1,417,470
Net increase/(decrease) in cash and cash equivalents			1,336,362		(1,568,930)
Cash and cash equivalents at beginning of Period			1,293,381		2,862,311
Cash and cash equivalents at end of Period			2,629,743		1,293,381

Brewhouse & Kitchen Limited**Company statement of cash flows****For the period ended 28 September 2024**

		2024	2023
	Notes	£	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	31	1,139,717	(174,462)
Interest paid		(715,070)	(446,849)
Net cash inflow/(outflow) from operating activities		<u>424,647</u>	<u>(621,311)</u>
Investing activities			
Purchase of tangible fixed assets		(467,732)	(2,437,789)
Proceeds from disposal of tangible fixed assets		441,500	-
Interest received		101,840	72,700
Net cash generated from/(used in) investing activities		<u>75,608</u>	<u>(2,365,089)</u>
Financing activities			
Proceeds from issue of shares		1,214,380	-
Proceeds from borrowings		-	1,800,000
Repayment of bank loans		(378,273)	(382,530)
Net cash generated from financing activities		<u>836,107</u>	<u>1,417,470</u>
Net increase/(decrease) in cash and cash equivalents		<u>1,336,362</u>	<u>(1,568,930)</u>
Cash and cash equivalents at beginning of Period		<u>1,293,381</u>	<u>2,862,311</u>
Cash and cash equivalents at end of Period		<u><u>2,629,743</u></u>	<u><u>1,293,381</u></u>

1 Accounting policies

Company information

Brewhouse & Kitchen Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is The Old Mill House, Merretts Mills Industrial Centre, Woodchester, Stroud, Gloucestershire, GL5 5EX.

The group consists of Brewhouse & Kitchen Limited and its dormant subsidiary.

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 £1.

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

1.2 Basis of consolidation

In the consolidated 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 group financial statements incorporate those of Tafarnau Cymru Cyf. In 2019 the trade and assets of Tafarnau Cymru Cyf were hived up to Brewhouse & Kitchen Limited and the subsidiary has remained dormant since that point.

All financial statements are made up to 28 September 2024.

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The strategic report covers this in greater detail.

1.4 Turnover

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

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

1 Accounting policies (continued)

1.5 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:

Freehold land and buildings	2% straight line
Leasehold land and buildings	over the term of the lease
Plant and equipment	10% straight line
Fixtures and fittings	10% straight line
Computers	33% straight line
Motor vehicles	33% 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 income statement.

1.6 Fixed asset investments

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.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

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

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

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

1.8 Stocks

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

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

1 Accounting policies (continued)

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.11 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 Accounting policies (continued)

1.12 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 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.

1.14 Retirement benefits

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

1 Accounting policies (continued)

1.15 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leased asset are consumed.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company'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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Classification of expenses

Judgement is used to identify and determine whether an item should be classified as Exceptional so to separately disclose and not affect the underlying performance. This involves the nature of the item as well as size and frequency.

Property impairments

Estimation is required to determine whether any impairment is required for Property, plant and equipment. These are based on value in use and fair values which are derived from external valuations and market conditions.

Share based payments

The share based payment cost requires an estimation using an appropriate valuation model. The Black-Scholes model being used involves volatility of shares and life of granted options. This determines the cost required for the period.

Brewhouse & Kitchen Limited**Notes to the financial statements (continued)**
For the period ended 28 September 2024**3 Turnover and other revenue**

	2024	2023
	£	£
Turnover analysed by class of business		
Liquor	10,276,664	10,336,208
Food	5,129,740	5,407,272
Other	888,277	943,486
	<u>16,294,681</u>	<u>16,686,966</u>
	<u><u>16,294,681</u></u>	<u><u>16,686,966</u></u>
	2024	2023
	£	£
Turnover analysed by geographical market		
UK	16,294,681	16,686,966
	<u>16,294,681</u>	<u>16,686,966</u>
	<u><u>16,294,681</u></u>	<u><u>16,686,966</u></u>
	2024	2023
	£	£
Other revenue		
Interest income	101,841	72,700
	<u>101,841</u>	<u>72,700</u>
	<u><u>101,841</u></u>	<u><u>72,700</u></u>

4 Exceptional costs

	2024	2023
	£	£
Exceptional costs	70,549	277,563
	<u>70,549</u>	<u>277,563</u>
	<u><u>70,549</u></u>	<u><u>277,563</u></u>

Exceptional costs in the year relate to rights issue funding, property valuation fees and loan refinancing

5 Operating profit/(loss)

	2024	2023
	£	£
Operating profit/(loss) for the period is stated after charging:		
Depreciation of owned tangible fixed assets	1,242,658	1,363,872
Impairment of owned tangible fixed assets	-	365,679
Share-based payments	-	32,397
Operating lease charges	359,694	314,666
	<u>1,242,658</u>	<u>1,363,872</u>
	<u><u>1,242,658</u></u>	<u><u>1,363,872</u></u>

Brewhouse & Kitchen Limited**Notes to the financial statements (continued)**
For the period ended 28 September 2024**6 Auditor's remuneration**

	2024	2023
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	36,600	34,860
For other services		
Taxation compliance services	5,750	5,500

7 Employees

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

	Group	2023	Company	2023
	2024	Number	2024	Number
	Number		Number	
Head office	19	30	19	30
Manager	41	34	41	34
Brewery	16	16	16	16
Back of house	80	90	80	90
Front of house	187	204	187	204
Total	343	374	343	374

Their aggregate remuneration comprised:

	Group	2023	Company	2023
	2024	£	2024	£
	£		£	
Wages and salaries	6,435,736	6,810,337	6,435,736	6,810,337
Social security costs	469,609	478,106	469,609	478,106
Pension costs	146,836	137,237	146,836	137,237
	7,052,181	7,425,680	7,052,181	7,425,680

8 Directors' remuneration

	2024	2023
	£	£
Remuneration for qualifying services	153,289	23,098

Brewhouse & Kitchen Limited**Notes to the financial statements (continued)**
For the period ended 28 September 2024**9 Interest receivable and similar income**

	2024	2023
	£	£
Interest income		
Interest on bank deposits	101,841	72,700

	2024	2023
	£	£
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	101,841	72,700

10 Interest payable and similar expenses

	2024	2023
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	715,070	570,832

11 Taxation

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

	2024	2023
	£	£
Loss before taxation	(424,177)	(1,172,920)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 21.96%)	(106,044)	(257,573)
Tax effect of expenses that are not deductible in determining taxable profit	6,613	61,248
Change in unrecognised deferred tax assets	(4,410)	96,886
Effect of change in corporation tax rate	-	(16,428)
Permanent capital allowances in excess of depreciation	103,841	115,867
Taxation charge	-	-

Notes to the financial statements (continued)
For the period ended 28 September 2024

12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2024 £	2023 £
In respect of:			
Property, plant and equipment	13	-	365,679
		<u> </u>	<u> </u>
Recognised in:			
Administrative expenses		-	365,679
		<u> </u>	<u> </u>

A third party valuation was carried out in the prior year and impairments were recognised in respect of two freehold sites owned by the entity and group.

Brewhouse & Kitchen Limited

Notes to the financial statements (continued)

For the period ended 28 September 2024

13 Tangible fixed assets

Group	Freehold land and buildings £	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost							
At 1 October 2023	21,840,958	1,198,478	754,924	7,435,423	393,905	13,697	31,637,385
Additions	95,300	36,576	40,000	276,297	19,559	-	467,732
Disposals	(1,333,695)	-	(32,705)	(314,839)	-	-	(1,681,239)
At 28 September 2024	20,602,563	1,235,054	762,219	7,396,881	413,464	13,697	30,423,878
Depreciation and impairment							
At 1 October 2023	4,822,154	534,230	377,382	3,971,612	373,425	12,008	10,090,811
Depreciation charged in the Period	394,067	64,968	47,514	710,057	26,052	-	1,242,658
Eliminated in respect of disposals	(1,052,572)	-	(20,713)	(166,454)	-	-	(1,239,739)
At 28 September 2024	4,163,649	599,198	404,183	4,515,215	399,477	12,008	10,093,730
Carrying amount							
At 28 September 2024	16,438,914	635,856	358,036	2,881,666	13,987	1,689	20,330,148
At 30 September 2023	17,018,804	664,248	377,542	3,463,811	20,480	1,689	21,546,574

Brewhouse & Kitchen Limited

Notes to the financial statements (continued)

For the period ended 28 September 2024

13 Tangible fixed assets (continued)

Company	Freehold land and buildings £	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost							
At 1 October 2023	21,840,958	1,198,478	754,924	7,435,423	393,905	13,697	31,637,385
Additions	95,300	36,576	40,000	276,297	19,559	-	467,732
Disposals	(1,333,695)	-	(32,705)	(314,839)	-	-	(1,681,239)
At 28 September 2024	20,602,563	1,235,054	762,219	7,396,881	413,464	13,697	30,423,878
Depreciation and impairment							
At 1 October 2023	4,822,154	534,230	377,382	3,971,612	373,425	12,008	10,090,811
Depreciation charged in the Period	394,067	64,968	47,514	710,057	26,052	-	1,242,658
Eliminated in respect of disposals	(1,052,572)	-	(20,713)	(166,454)	-	-	(1,239,739)
At 28 September 2024	4,163,649	599,198	404,183	4,515,215	399,477	12,008	10,093,730
Carrying amount							
At 28 September 2024	16,438,914	635,856	358,036	2,881,666	13,987	1,689	20,330,148
At 30 September 2023	17,018,804	664,248	377,542	3,463,811	20,480	1,689	21,546,574

Brewhouse & Kitchen Limited

Notes to the financial statements (continued) For the period ended 28 September 2024

13 Tangible fixed assets (continued)

More information on impairment movements in the Period is given in note 12.

14 Fixed asset investments

		Group		Company	
	Notes	2024	2023	2024	2023
		£	£	£	£
Investments in subsidiaries	15	-	-	2	1

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 October 2023	1
Additions	1
At 28 September 2024	2
Carrying amount	
At 28 September 2024	2
At 30 September 2023	1

15 Subsidiaries

Details of the company's subsidiaries at 28 September 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Tafarnau Cymru Cyf	England and Wales	Dormant	Ordinary	100.00
Brewhouse Brewing Co Ltd	England and Wales	Dormant	Ordinary	100.00

The registered office address of the subsidiaries is:

Brewhouse & Kitchen Ltd C/O Tba Solutions Ltd
The Old Mill House
Merretts Mills Industrial Centre
Woodchester
Stroud Glos, England
GL5 5EX

Brewhouse & Kitchen Limited

Notes to the financial statements (continued) For the period ended 28 September 2024

16 Stocks

	Group 2024 £	2023 £	Company 2024 £	2023 £
Finished goods and goods for resale	308,517	327,871	308,517	327,871

17 Debtors

	Group 2024 £	2023 £	Company 2024 £	2023 £
Amounts falling due within one year:				
Trade debtors	682,851	461,944	682,851	461,944
Other debtors	302,592	335,996	302,592	335,996
Prepayments and accrued income	404,097	343,008	404,097	343,008
	1,389,540	1,140,948	1,389,540	1,140,948

Included within other debtors is an amount of £71,250 (2023: £71,250) relating to property deposits which fall due after more than one year.

18 Creditors: amounts falling due within one year

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans	19	2,608,812	2,991,293	2,608,812	2,991,293
Other borrowings	19	3,932,338	3,928,130	3,932,338	3,928,130
Trade creditors		1,453,051	1,017,636	1,453,051	1,017,636
Other taxation and social security		530,847	524,801	530,847	524,801
Other creditors		462,150	464,409	461,970	464,228
Accruals and deferred income		917,090	1,419,048	917,090	1,419,048
		9,904,288	10,345,317	9,904,108	10,345,136

At at the year end date, the bank loan and the loan note facility were due to mature in March 2025 and September 2025, respectively. However, as detailed in Note 25, the company has since undertaken a refinancing exercise to extend its financing arrangement to a five-year term.

Brewhouse & Kitchen Limited**Notes to the financial statements (continued)**
For the period ended 28 September 2024**19 Loans and overdrafts**

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank loans	2,608,812	2,991,293	2,608,812	2,991,293
Other loans	3,932,338	3,928,130	3,932,338	3,928,130
	<u>6,541,150</u>	<u>6,919,423</u>	<u>6,541,150</u>	<u>6,919,423</u>
	<u><u>6,541,150</u></u>	<u><u>6,919,423</u></u>	<u><u>6,541,150</u></u>	<u><u>6,919,423</u></u>
Payable within one year	<u>6,541,150</u>	<u>6,919,423</u>	<u>6,541,150</u>	<u>6,919,423</u>
	<u><u>6,541,150</u></u>	<u><u>6,919,423</u></u>	<u><u>6,541,150</u></u>	<u><u>6,919,423</u></u>

The bank loan is secured on the freehold and leasehold properties of the company. Interest is payable on the loan at the Bank of England base rate plus 2.5% on the principal amount.

In the prior period the company entered into new loan facilities which was secured by a fixed charge over a number of the freehold properties held by the company. Interest is payable on the loan facilities at 7.5% + SONIA on the outstanding commitment.

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities	Liabilities
	2024	2023
	£	£
Accelerated capital allowances	710,540	710,540
Tax losses	(687,867)	(687,867)
	<u>22,673</u>	<u>22,673</u>
	<u><u>22,673</u></u>	<u><u>22,673</u></u>
	Liabilities	Liabilities
	2024	2023
	£	£
Accelerated capital allowances	710,540	710,540
Tax losses	(687,867)	(687,867)
	<u>22,673</u>	<u>22,673</u>
	<u><u>22,673</u></u>	<u><u>22,673</u></u>

There were no deferred tax movements in the Period.

Notes to the financial statements (continued)
For the period ended 28 September 2024

20 Deferred taxation (continued)

Total tax losses carried forward are £8,052,613 (2023: £8,326,833). Recognition of an asset on these losses has been restricted to the extent that they offset the capital allowances.

21 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	146,836	137,237

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.

22 Share-based payment transactions

The company has a share based option scheme for certain employees.

Options are exercisable at a price equal to the estimated fair value of the company's shares on the date of grant. The vesting period is three years and the options can be exercised for a period of seven years once vested, subject to certain performance criteria. Options are forfeited if the employee leaves the company before the options vest.

The fair value of the share options at the grant date was calculated using the Black Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value.

Details of the share options outstanding at the period end are as follows:

Group and company	Number of share options		Weighted average exercise price	
	2024 Number	2023 Number	2024 £	2023 £
Outstanding at 1 October 2023	1,304,274	1,562,914	-	-
Forfeited	-	(258,640)	-	-
Outstanding at 28 September 2024	1,304,274	1,304,274	1.00	1.00
Exercisable at 28 September 2024	-	-	1.00	1.00

Notes to the financial statements (continued)
For the period ended 28 September 2024

22 Share-based payment transactions (continued)

The options outstanding at 28 September 2024 had an exercise price of £1.00, and a remaining contractual life of 1 year.

During the period, the Group & Company recognised total share-based payment expenses of £nil (2023: £32,397) which related to equity settled share based payment transactions.

23 Share capital

Group and company	2024	2023	2024	2023
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 50p each	16,513,312	16,513,312	8,863,846	8,256,656
Ordinary A shares of 50p each	10,000	10,000	5,000	5,000
Deferred shares of 50p each	1,633,816	1,633,816	816,908	816,908
Ordinary C shares of 50p each	4,066,472	4,066,472	2,033,236	2,033,236
	<u>22,223,600</u>	<u>22,223,600</u>	<u>11,718,990</u>	<u>11,111,800</u>

All share classes rank pari passu in respect of distributions to shareholders. B Ordinary shares do not carry any entitlement for the holder to attend or vote at Annual General Meetings, whilst Ordinary and A Ordinary shares rank pari passu in respect of voting rights.

Distributions to the respective share classes on an exit event or winding up of the company vary dependent upon the nature of the exit event.

24 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	2023	Company	2023
	2024		2024	
	£	£	£	£
Within one year	293,050	293,050	293,050	293,050
Between two and five years	1,172,200	1,172,200	1,172,200	1,172,200
In over five years	3,538,275	3,831,325	3,538,275	3,831,325
	<u>5,003,525</u>	<u>5,296,575</u>	<u>5,003,525</u>	<u>5,296,575</u>

Notes to the financial statements (continued)
For the period ended 28 September 2024

25 Events after the reporting date

Subsequent to the reporting date, the company entered into a new £4 million loan facility with LHV Bank on a 5-year term, fully refinancing its existing loan provider. In addition, the existing loan agreement with Barclays Bank plc has been extended for a further 5 years.

These financing arrangements do not impact the financial position as of the reporting date but provide enhanced funding stability for the company moving forward.

26 Related party transactions**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	249,981	237,483

Other information

During the period, the company was invoiced £90,000 (2023: £90,000) for management services by Comportamento Limited, a company related by virtue of common directorship of Simon Bunn. At 28 September 2024 a total of £nil (2023: £15,395) was owed by the company to Comportamento Limited.

During the period the company was invoiced £80,000 (2023: £80,000) for management services by Ardour Consulting Limited, a company related by virtue of common directorship of Kristian Gumbrell. At 30 September 2024 a total of £nil (2022: £11,427) was owed by Ardour Consulting Limited to the company.

During the period the company received franchise fees of £195,000 (2023: £195,000) under franchise arrangements with Hot Copper Pub Company Limited, a company with common directorship of Kristian Gumbrell and Simon Bunn. A further £24,780 (2023: £26,686) was recharged from Brewhouse & Kitchen Limited in respect of other intercompany recharges. At 28 September 2024 the company was owed a total of £57,805 (2023: £65,971) by Hot Copper Pub Company Limited.

During the period the company recognised franchise income of £39,000 (2023: £39,000) in respect of the operation of sites for and on behalf of Warm Hearth Limited, a related company by virtue of Ian Lishman who qualifies as key management personnel for both companies. A further £4,800 (2023: £5,563) was recharged to Warm Hearth Limited in respect of other intercompany recharges. At 28 September 2024 the company owed a total of £1,923 (2023: £22,540) to Warm Hearth Limited.

During the period the company recognised franchise income of £39,000 (2023: £78,000) in respect of the operation of sites for and on behalf of Knott End Pub Company Limited, a related company by virtue of Kristian Gumbrell who qualifies as key management personnel for both companies. A further £4,800 (2023: £10,363) was recharged to Knott End Pub Company in respect of other intercompany recharges. At 28 September 2024 the company was owed a total of £13,304 (2023: £43,025) by Knott End Pub Company Limited

The connected company debtors are unsecured and repayable on demand.

27 Controlling party

By virtue of the shareholdings the directors do not believe that there is an ultimate controlling party.

Brewhouse & Kitchen Limited

Notes to the financial statements (continued) For the period ended 28 September 2024

28 Cash generated from/(absorbed by) group operations

	2024 £	2023 £
Loss for the Period after tax	(424,177)	(1,172,920)
Adjustments for:		
Finance costs	715,070	570,832
Investment income	(101,841)	(72,700)
Depreciation and impairment of tangible fixed assets	1,242,658	1,729,551
Equity settled share based payment expense	-	32,397
Movements in working capital:		
Decrease/(increase) in stocks	19,354	(27,823)
Increase in debtors	(248,592)	(213,938)
Decrease in creditors	(62,756)	(1,019,861)
Cash generated from/(absorbed by) operations	<u>1,139,716</u>	<u>(174,462)</u>

29 Analysis of changes in net debt - group

	1 October 2023 £	Cash flows 28 September 2024 £	£
Cash at bank and in hand	1,293,381	1,336,362	2,629,743
Borrowings excluding overdrafts	(6,919,423)	378,273	(6,541,150)
	<u>(5,626,042)</u>	<u>1,714,635</u>	<u>(3,911,407)</u>

30 Analysis of changes in net debt - company

	1 October 2023 £	Cash flows 28 September 2024 £	£
Cash at bank and in hand	1,293,381	1,336,362	2,629,743
Borrowings excluding overdrafts	(6,919,423)	378,273	(6,541,150)
	<u>(5,626,042)</u>	<u>1,714,635</u>	<u>(3,911,407)</u>

Brewhouse & Kitchen Limited**Notes to the financial statements (continued)**
For the period ended 28 September 2024**31 Cash generated from/(absorbed by) operations - company**

	2024	2023
	£	£
Loss for the Period after tax	(424,177)	(1,172,920)
Adjustments for:		
Finance costs	715,070	570,832
Investment income	(101,841)	(72,700)
Depreciation and impairment of tangible fixed assets	1,242,658	1,729,551
Equity settled share based payment expense	-	32,397
Movements in working capital:		
Decrease/(increase) in stocks	19,354	(27,823)
Increase in debtors	(248,592)	(213,938)
Decrease in creditors	(62,755)	(1,019,861)
Cash generated from/(absorbed by) operations	1,139,717	(174,462)