

**Bewley's Tea and Coffee
UK (Roastery) Limited**
*(formerly Bewley's Tea and Coffee
UK Limited)*

Directors' report and
financial statements

Year ended 31 December 2017

Registered number: 1074021



Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Directors' report and financial statements

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Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Directors and other information

Directors

J. Cahill
J. Corbett (resigned 24 February 2017)
M. McAdam (appointed 30 March 2017 and resigned 15 August 2018)
M. O'Sullivan

Secretary

M. O'Sullivan

Registered office

Bent Ley Industrial Estate
Bent Ley Road
Meltham
Huddersfield
West Yorkshire
HD9 4EP

Independent auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Principal bankers

Barclays
Market Street
Huddersfield
HD1 2AA

Solicitors

A&L Goodbody Solicitors
IFSC
Dublin 1
Ireland

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Strategic report

The strategic report for the Company for the year ended 31 December 2017 is set out below.

Business review including principal activities, review of performance

The principal activity of the Company is the roasting and distribution of coffee, tea and ancillary products and services to a broad range of customers in the United Kingdom. The Company's turnover remained strong during the financial year, reflecting positive customer relationships.

The directors believe that the Company continues to be well-placed to meet the opportunities that may arise in the future.

Risks and uncertainties and key performance indicators

The directors consider that the principal risks and uncertainties faced by the Company are in the following categories:

Economic risk

- The risks arising from Brexit;
- The risk of decreased government spending and increased taxation rates having an adverse impact on served markets;
- The risk of increased interest rates and/or inflation having an adverse impact on served markets;
- The risk of increases in infrastructural costs impacting adversely on the competitiveness of the Company and its principal customers;
- The risk resulting from volatility in raw coffee and tea commodity prices which cannot be recovered from the market place; and
- The risk of lower economic growth rates and the related impact on consumer demand.

These risks are managed by innovative product sourcing, strict cost controls and other actions by the Company's management team.

Competition risk

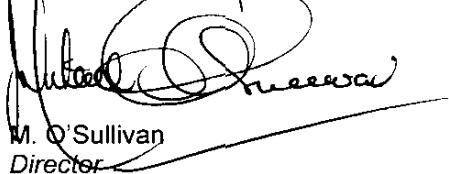
The directors of the Company manage competition risk through close attention to costs, customer service levels, product innovation and other actions by management.

Financial risk

The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Three of the key performance indicators ('KPIs') used by the directors to monitor the performance of the business are sales and profitability reports, monitoring of cash levels and careful management of aged debtors. These KPIs are reviewed and managed on an ongoing basis by the directors and management team.

On behalf of the board



M. O'Sullivan
Director

31 August 2018

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2017.

Results and dividends

Details of results are set out on pages 9 and 10. No dividends on ordinary shares were paid in the year (2016: *Stg£Nil*).

Political and charitable donations

The Company made no disclosable political or charitable donations during the year (2016: *Stg£Nil*).

Directors and secretary

The names of the persons who were directors and secretary at any time during the year ended 31 December 2017 are set out on page 1.

Directors' and secretary's interests

The directors and secretary at 31 December 2017 did not have any beneficial interests in the Company's issued ordinary share capital.

Post balance sheet events

There have been no significant events affecting the Company since the balance sheet date that require disclosure in, or adjustment to, these financial statements.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the strategic report on page 2.

UK 2015 Modern slavery act

The Company follows the procedures of its parent company, Bewley's Limited which are set out at www.bewleys.com in the section entitled "Sustainability".

Bewley's Tea and Coffee UK (Roastery) Limited

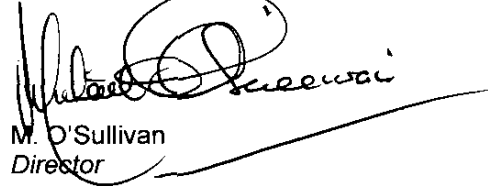
(formerly Bewley's Tea and Coffee UK Limited)

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act, 2006, the auditor will be deemed to be reappointed and KPMG, Chartered Accountants, will therefore continue in office.

On behalf of the board



M. O'Sullivan
Director

31 August 2018

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the strategic report, 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 they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



M. O'Sullivan
Director



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent auditor's report to the members of Bewley's Tea and Coffee UK (Roastery) Limited *(formerly Bewley's Tea and Coffee UK Limited)*

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bewley's Tea and Coffee UK (Roastery) Limited (formerly Bewley's Tea and Coffee UK Limited) ("the Company") for the year ended 31 December 2017 set out on pages 9 to 21, which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.



Independent auditor's report to the members of Bewley's Tea and Coffee UK (Roastery) Limited *(formerly Bewley's Tea and Coffee UK Limited) (continued)*

1 Report on the audit of the financial statements *(continued)*

Other information

The directors are responsible for the other information presented in the financial statements. The other information comprises the information included in the strategic and directors' 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, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on the work undertaken in the course of the audit, we report that

- we have not identified material misstatements in the directors' report or strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report on these matters/in regard to these matters.

2 Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, 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 they 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Independent auditor's report to the members of Bewley's Tea and Coffee UK (Roastery) Limited *(formerly Bewley's Tea and Coffee UK Limited) (continued)*

2 Respective responsibilities and restrictions on use *(continued)*

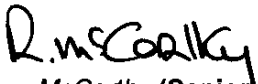
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.


Ryan McCarthy ~~(Senior Statutory Auditor)~~
for and on behalf of
~~KPMG~~
~~Chartered Accountants, Statutory Audit Firm~~
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

31 August 2018

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Profit and loss account and other comprehensive income

for the year ended 31 December 2017

	<i>Note</i>	2017 Stg£'000	2016 Stg£'000
Turnover	2	16,455	21,441
Cost of sales		(10,454)	(14,513)
Gross profit		6,001	6,928
Operating costs		(6,296)	(7,650)
Operating loss		(295)	(722)
Interest payable		-	-
Loss on ordinary activities before taxation	3	(295)	(722)
Taxation	5	-	13
Loss for the financial year		(295)	(709)
Other comprehensive income		(37)	-
Total comprehensive loss for the year		(332)	(709)

Bewley's Tea and Coffee UK (Roastery) Limited

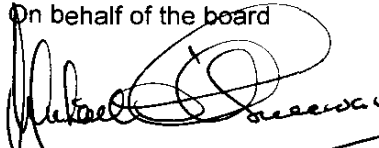
(formerly Bewley's Tea and Coffee UK Limited)

Balance sheet

as at 31 December 2017

	Note	2017 Stg£'000	2016 Stg£'000
Fixed assets			
Intangible assets	6	-	-
Tangible fixed assets	8	983	956
Financial assets	7	857	857
		1,840	1,813
Current assets			
Stock	9	1,485	2,026
Debtors	10	2,610	3,377
Cash at bank and in hand	11	3,149	2,201
		7,244	7,604
Creditors: amounts falling due within one year	12	(9,145)	(9,146)
Net current liabilities		(1,901)	(1,542)
Total assets less current liabilities		(61)	271
Deferred taxation	15	(21)	(21)
Net assets		(82)	250
Capital and reserves			
Called up share capital	16	17	17
Capital redemption reserve		3	3
Profit and loss account		(102)	230
Shareholders' funds		(82)	250

On behalf of the board


M. O'Sullivan
Director

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Statement of changes in equity

for the year ended 31 December 2017

	Share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Cash flow hedging reserve £'000	Total £'000
At 1 January 2016	17	3	939	-	959
Total comprehensive loss for the year	-	-	(709)	-	(709)
At 31 December 2016	17	3	230	-	250
Total comprehensive loss for the year	-	-	(295)	(37)	(332)
Balance at 31 December 2017	17	3	(65)	(37)	(82)

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes

forming part of the financial statements

1 Accounting policies

Bewley's Tea and Coffee UK (Roastery) Limited (formerly Bewley's Tea and Coffee UK Limited) (the "Company") is a company limited by shares and incorporated and domiciled in the United Kingdom.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in September 2015. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The Company's ultimate parent undertaking, Bewley's Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Bewley's Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Northern Cross, Malahide Road, Dublin 17, Ireland. In these financial statements, the Company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on the historical cost basis.

Financial position

The Company recorded a loss for the year of Stg£332,000 and has a deficiency on shareholders' funds of Stg£82,000. The directors have obtained confirmation from the Company's ultimate parent undertaking, Bewleys Limited, that it will provide sufficient financial support to enable the Company to continue to operate on a going concern for the foreseeable future. The directors have accordingly prepared the financial statements on the basis that the Company is a going concern.

Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised at transaction prices less any bad debt provisions required. Trade and other creditors are recognised at transaction costs.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight-line basis to write off the cost less estimated residual values of the assets over their estimated useful lives. The estimated useful lives of tangible fixed assets for the current and the prior year are as follows:

	Over the term of the lease
Leasehold improvements	
Plant & machinery/fixtures & fittings/office equipment	5 to 10 years
Motor vehicles	3 to 4 years
Coffee machines	5 years

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes *(continued)*

1 Accounting policies *(continued)*

Intangible assets (goodwill)

Goodwill arising on the acquisition of businesses represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. Goodwill is capitalised and written off on a straight-line basis over its estimated useful economic life, which is determined on a transaction by transaction basis, subject to acceleration of write-off or provision for impairment, where impairment is indicated. The useful life of goodwill currently capitalised is estimated at three years.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Financial fixed assets

Interests in subsidiary undertakings are stated in the balance sheet at cost less provision for any impairment.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost includes materials and other direct costs. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Employee benefits

The Company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Expenses

Operating lease

The Company holds a number of operating leases and the rentals there under are charged to the profit and loss account on a straight line basis over the duration of the leases.

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

1 Accounting policies (continued)

Lease and hire purchase arrangements

Assets held under hire purchase arrangements are capitalised in the balance sheet at their equivalent capital value and are depreciated over their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease/hire purchase agreement is charged to the profit and loss account on an annuity basis.

Taxation

Current tax is provided on the Company's taxable profits, at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts and value added tax.

A segmental analysis of turnover by line of business and operating loss and net assets by geographical area and line of business has not been provided as, in the opinion of the directors, such disclosure would be prejudicial to the interest of the Company.

3 Profit/(loss) on ordinary activities

The profit/(loss) on ordinary activities is stated after charging/(crediting) the following items:

	2017 Stg£'000	2016 Stg£'000
Directors' remuneration (including pension contributions)	-	-
Goodwill amortisation	-	896
Depreciation charge:		
- Owned assets	314	388
Audit fees	25	25
Profit on disposal of fixed assets	-	(4)
Operating lease rentals:		
- Land and buildings	226	214
- Other	96	142

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

4 Staff costs and employee information

The average number of persons employed by the Company in the financial year was 111 (2016: 98) analysed into the following categories:

	2017 Number	2016 Number
Sales and distribution	47	55
Administration	33	17
Production	31	26
	111	98

The aggregate payroll costs (including directors' remuneration) of these persons were as follows:

	2017 Stg£'000	2016 Stg£'000
Wages and salaries	3,054	3,037
Social welfare costs	247	300
Pension costs	27	3
	3,328	3,340

5 Taxation

	2017 Stg£'000	2016 Stg£'000
(a) Analysis of charge in year		
<i>Current tax</i>		
UK corporation tax on profits/(losses) for the year	-	-
Prior period over provision in corporation tax	-	(13)
	-	(13)
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Tax on loss on ordinary activities	-	(13)

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

5 Taxation (continued)

(b) Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the United Kingdom. The differences are explained below:

	2017 Stg£'000	2016 Stg£'000
(Loss) on ordinary activities before tax	(295)	(722)
Loss on ordinary activities multiplied by the standard rate of UK corporation tax for the year of 20% (2016: 20%) tax charge	(59)	(145)
<i>Effects of:</i>		
Expenses not deductible for taxation purposes	(1)	175
Depreciation in excess of capital allowances	33	17
Tax losses utilised	-	(47)
Adjustments to tax charge in respect of previous years	-	(13)
Tax losses forward to future years	27	-
Total tax charge	-	(13)

6 Intangible assets – goodwill

	2017 Stg£'000	2016 Stg£'000
Cost		
At beginning of year	2,679	2,679
Additions during the year	-	-
At end of year	2,679	2,679
Amortisation		
At beginning of year	2,679	1,786
Charge for the year	-	893
At end of year	2,679	2,679
Carrying value		
At end of year	-	-

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

7 Financial assets

	Shares in subsidiary undertakings Stg£'000
At beginning of year	857
Additions	-
At end of year	857

During 2014, the Company purchased 100% of the issued share capital of Darlington's Limited, a fellow subsidiary undertaking of Bewley's Limited. The total consideration was Stg£3,537,000 and this gave rise to goodwill of Stg£2,679,000 (see note 6 above). Darlington's Limited no longer trades and the net assets of that company at 31 December 2016 were Stg£857,000. In the opinion of the directors, the recoverable value of the investment in subsidiary undertaking is not less than the carrying amount shown above.

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

8 Tangible fixed assets

	Plant and machinery Stg£'000	Leasehold improvements Stg£'000	Motor vehicles Stg£'000	Coffee machines Stg£'000	Fixtures and fittings, office equipment Stg£'000	Total Stg£'000
Cost						
At 31 December 2016	1,662	229	232	3,442	345	5,910
Additions	100	80	-	43	179	402
Disposals	(5)	(66)	(49)	(68)	(111)	(299)
At 31 December 2017	1,757	243	183	3,417	413	6,013
Accumulated depreciation						
At 31 December 2016	1,472	187	232	2,756	307	4,954
Charge for the year	45	11	-	244	14	314
Disposals	-	(65)	(49)	(13)	(111)	(238)
At 31 December 2017	1,517	133	183	2,987	210	5,030
Net book value						
At 31 December 2017	240	110	-	430	203	983
At 31 December 2016	190	42	-	686	38	956

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

9 Stock	2017 Stg£'000	2016 Stg£'000
Coffee accessories	166	586
Raw materials	513	567
Goods for resale	806	873
	1,485	2,026

The net replacement cost of stock is not materially different to the carrying value.

Stocks are stated net of a provision for obsolescence of £90,000 (2016: £65,000). The write-down of stocks to net realisable value amounted to £90,000 (2016: £65,000).

10 Debtors	2017 Stg£'000	2016 Stg£'000
Amounts due from fellow group undertakings	734	597
Trade debtors	1,761	2,340
Other debtors	115	390
Corporation tax recoverable	-	50
	2,610	3,377

11 Cash and cash equivalents/bank overdrafts	2017 Stg£'000	2016 Stg£'000
Cash at bank and in hand	3,149	2,201

12 Creditors: amounts falling due within one year	2017 Stg£'000	2016 Stg£'000
Trade creditors	1,501	2,018
Amounts owed to fellow group undertakings	6,717	6,464
Other creditors and accruals	833	512
PAYE/NIC	56	78
VAT	38	74
	9,145	9,146

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes (continued)

13 Commitments

Operating lease

At 31 December 2017, the Company had annual commitments under operating leases as follows:

	2017 Stg£'000	2016 Stg£'000
<i>Expiring:</i>		
Less than one year	-	-
Between two and five years	311	131
More than 5 years	-	-
	311	131

14 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2017 Stg£'000	2016 Stg£'000
Less than one year	311	95
Between two and five years	579	426
More than five years	-	-
	890	521

During the year £322,000 was recognised as an expense in the profit and loss account in respect of operating leases (2016: £356,000).

15 Deferred taxation

	2017 Stg£'000	2016 Stg£'000
At beginning and end of year	21	21

Deferred taxation refers principally to timing differences on tax depreciation allowances.

16 Called up share capital

	2017 Stg£'000	2016 Stg£'000
<i>Allotted, called up and fully paid</i>		
17,000 Ordinary shares of Stg£1 each	17	17

Bewley's Tea and Coffee UK (Roastery) Limited

(formerly Bewley's Tea and Coffee UK Limited)

Notes *(continued)*

17 Parent undertaking and related party transactions

The Company is a wholly owned subsidiary of Bewley's Limited, a company incorporated in the Republic of Ireland. The smallest and largest group in which the results of the Company are consolidated is Bewley's Limited. The financial statements of Bewley's Limited may be obtained from the Company Secretary, Bewley's Limited, Northern Cross, Malahide Road, Dublin 17, Ireland.

Details of transactions/balances with entities that are part of the Bewley's Limited group or investors of the group qualifying as related parties are not disclosed as the Company is exempt from such disclosures under Section 33.1A of FRS 102.

18 Commitments and contingencies

a) Bank facilities

The Company is a party to the bank facilities of the Bewley's Group, which are supported by security and cross guarantees from certain Group companies, including the Company.

b) Commodities contracts

As part of its ongoing operations, the Company has entered into commitments at 31 December 2017 to purchase coffee at a cost of £10,234,000 (2016: £3,274,000) at specified dates in 2018.

c) Foreign exchange contracts

The Company has entered into contracts at 31 December 2017 to purchase €8.3m (2016: €2.1m) and \$0.7m (2016: \$0.6m) at specified exchange rates at various dates in 2018.

19 Subsequent events

In April 2018 the Company changed its name to Bewley's Tea and Coffee (Roastery) UK Limited.

There have been no other events subsequent to the year end which require disclosure in, or adjustment to, the financial statements.

20 Accounting estimates and judgements

There were no significant accounting estimates or judgements made or required

21 Approval of financial statements

The financial statements were approved by the directors on 31 August 2018.