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Company Registration No. 03086007 (England and Wales)

CAVA (U.K.) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

CAVA (U.K.) LIMITED

COMPANY INFORMATION

Directors	Mr R Hogg Mr A C Barrett Mr C J Barrett
Secretary	Mr R Hogg
Company number	03086007
Registered office	Grafic House Tom Dando Close Normanton Industrial Estate Normanton Wakefield West Yorkshire WF6 1TP
Auditor	DJH Accountants Limited Porthill Lodge High Street Wolstanton Newcastle under Lyme Staffordshire ST5 0EZ

CAVA (U.K.) LIMITED

CONTENTS

CAVA (U.K.) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	3		823		1,647
Investments	4		-		2
			823		1,649
Current assets					
Stocks		13,820		13,820	
Debtors	5	100,021		292,910	
Cash at bank and in hand		113,577		121,244	
		227,418		427,974	
Creditors: amounts falling due within one year	6	(610,345)		(800,605)	
Net current liabilities			(382,927)		(372,631)
Total assets less current liabilities			(382,104)		(370,982)
Capital and reserves					
Called up share capital			10,000		10,000
Profit and loss reserves			(392,104)		(380,982)
Total equity			(382,104)		(370,982)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 12/09/2016 and are signed on its behalf by:

Mr A C Barrett
Director

Mr C J Barrett
Director

Company Registration No. 03086007

CAVA (U.K.) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2014	10,000	(353,159)	(343,159)
Year ended 31 December 2014:			
Loss and total comprehensive income for the year	-	(27,823)	(27,823)
Balance at 31 December 2014	10,000	(380,982)	(370,982)
Year ended 31 December 2015:			
Loss and total comprehensive income for the year	-	(11,122)	(11,122)
Balance at 31 December 2015	10,000	(392,104)	(382,104)

1 Accounting policies

Company information

Cava (U.K.) Limited is a private company limited by shares incorporated in England and Wales, registration number 03086007. The registered office is Grafic House, Tom Dando Close, Normanton Industrial Estate, Normanton, Wakefield West Yorkshire, WF6 1TP.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Cava (U.K.) Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The company is reliant on financial support from it's parent company, Grafitec Holdings Limited. Loans outstanding at 31 December 2015 amounted to £180,000 (2014 - £180,000). In addition, the company's bank overdraft is secured by a cross guarantee and debenture.

The directors have prepared management accounts up to 31 March 2016 and budgets up to 31 December 2016. On the basis of this information, the directors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

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

1.4 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:

Fixtures and fittings	25% per annum of cost
Motor vehicles	25% per annum of cost

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 credited or charged to profit or loss.

1 Accounting policies **(Continued)**

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

1.7 Stocks

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

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

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

1.8 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 Accounting policies **(Continued)**

1.9 Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Other financial assets

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

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

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

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

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

1 Accounting policies **(Continued)**

Derecognition of financial assets

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Other financial liabilities

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

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

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 company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

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

1 Accounting policies (Continued)

1.11 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.

1.12 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2014 - 3).

	2015 Number	2014 Number
Administration	3	3
Warehouse	1	1
	4	4

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2015 and 31 December 2015	5,235
Depreciation and impairment	
At 1 January 2015	3,588
Depreciation charged in the year	824
At 31 December 2015	4,412
Carrying amount	
At 31 December 2015	823
At 31 December 2014	1,647

4 Fixed asset investments

	2015 £	2014 £
Investments	-	2

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2015 and 31 December 2015	2
Impairment	
At 1 January 2015	-
Impairment losses	2
At 31 December 2015	2
Carrying amount	
At 31 December 2015	-
At 31 December 2014	2

5 Debtors

Amounts falling due within one year:	2015 £	2014 £
Trade debtors	83,358	278,769
Other debtors	16,049	13,555
Prepayments and accrued income	614	586
	100,021	292,910

Trade debtors disclosed above are measured at amortised cost.

6 Creditors: amounts falling due within one year

	2015	2014
	£	£
Bank loans and overdrafts	332,838	324,377
Trade creditors	81,722	114,522
Other taxation and social security	-	268
Other creditors	180,000	300,603
Accruals and deferred income	15,785	60,835
	610,345	800,605

The bank overdraft is secured by a cross guarantee and debenture dates 21 October 2004.

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Mr Paul David Hulme FCCA.
The auditor was DJH Accountants Limited.

8 Financial commitments, guarantees and contingent liabilities

The company has a cross guarantee and debenture dates 21 October 2004, in favour of Barclays Bank plc, with the following companies:-

Grafitec Holdings Limited
Grafitec PLC
Grafitec Web Limited
Balun Limited
Grafitec Label Presses Limited

9 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2014 £	31 December 2014 £
Equity as reported under previous UK GAAP and under FRS 102	(343,159)	(370,982)

Reconciliation of profit or loss

	2014 £
Profit or loss as reported under previous UK GAAP and under FRS 102	(27,823)