

**Appeal No: VA23/5/0812**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**NA hAUGHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**P.J. GALVIN T/A GALVINS BETWEEN LTD**

**APPELLANT**

**AND**

**TAILTE ÉIREANN**

**RESPONDENT**

**In relation to the valuation of  
Property No. 27432, Hospitality at Beaufort, Killarney, County Kerry.**

**JUDGMENT OF THE VALUATION TRIBUNAL  
ISSUED ON THE 2<sup>ND</sup> DAY OF JUNE 2026**

**BEFORE**

**Paul McElearney – FSCSI, FRICS, FCI ARB**

**Member**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 18<sup>th</sup> day of October 2023 the Appellant appealed against the determination of the Respondent's pursuant to which the net annual value '(the NAV)' of the above relevant Property was fixed in the sum of €35,000.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because: "*The Valuation is Incorrect*

*As this property is only opened only on weekend, and was closed for approximately 4 years, only re-opened in May 2022, max turnover in the year is €380,000 x 5%= €19,000 valuation. (Current rental in the area is 5% of turn over)"*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €19,000 and revised to €17,700 in the Appellants responding Precis.

## **2. RE-VALUATION HISTORY**

2.1 On the 23<sup>rd</sup> day of September 2022 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €35,000.

2.2 A Final Valuation Certificate issued on the 15<sup>th</sup> day of September 2023 stating a valuation of €35,000.

2.3 The date by reference to which the value of the Property, the subject of this appeal, was determined is 01<sup>st</sup> day of February 2022.

## **3. DOCUMENT BASED APPEAL**

3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and, on the agreement of the parties, the Chairperson assigned the appeal to one member of the Tribunal for determination.

3.2 In accordance with the Tribunal's directions, the parties exchanged their respective summaries of evidence and submitted them to the Tribunal.

## **4. FACTS**

4.1 The parties are agreed as to the following facts:

4.2 The subject property is located in the village of Beaufort with a population of 273 persons (Census 2022) and comprises of a detached, two storey building with car parking located to the front of the property and is laid out to provide a ground floor bar / restaurant with ancillary kitchen, offices and stores.

4.3 The subject property provides the following accommodation:

- o The Bar/Restaurant (front) 144.3m<sup>2</sup>.
- o Bar/Restaurant (rear) 104.72m<sup>2</sup>.

- o Kitchen/Prep 81.9m.

4.4 The property is in good condition throughout.

4.5 The subject property is held freehold having been purchased for €325,000 in 2021.

## **5. ISSUES**

The main issue under appeal for the subject property is quantum as the valuation is incorrect for the factors set out below.

“As this property is only opened only on weekend, and was closed for approximately 4 years, only re-opened in May 2022, max turnover in the year is €380,000 x 5%= €19,000 valuation. (Current rental in the area is 5% of turn over)”

## **6. RELEVANT STATUTORY PROVISIONS:**

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

## 7. APPELLANT’S CASE

7.1 The subject property was purchased by the appellants in 2021. The property had not traded since Covid and had been subject to a number of failed tenancies over the course of the previous decade.

7.2 There are only four commercial properties in the village – three of which are pubs.

7.3 Despite being physically a large premises, tastefully fitted, with a substantial commercial kitchen, Mr Galvin has found that the costs of running a successful food operation do not justify the turnover in a rural location such as Beaufort. Even at peak, the subject property was only able to open three days a week during the season, and for the majority of the period in question, it opened two days a week. In effect, the actual occupiers perfectly represent the hypothetical tenant in that they took occupation at around the valuation date and traded subsequently. Despite running a successful operation in the adjacent premises – Galvin’s (their family pub) and desperately wanting to keep the premises alive, they have found that the cost of running a food operation in such a rural location is exceptionally challenging. At the time of writing in 2025, Mr Galvin is unsure if the property will trade again in 2026, having closed for the season of 2025.

7.4 It should be noted that both Galvin’s and the Inn Between are accounted in Galvin’s Between Ltd. The analysis is a breakout by the appellants of the turnover for the Inn Between only.

<u>Turnover</u>			
Year	Total	Drink	Food
2022	€370,384	€166,978	€203,406
2023	€427,893	€196,886	€231,007
2024	€338,514	€145,633	€192,881

7.5 The irony of the above is that it does suit analysis for FMT, as the actual occupier became a de facto hypothetical tenant. The subject property averaged €170,000 in drink, and €210,000 in food over the three -year period 2022-2024. There is little doubt that Mr.

Galvin is an exceptional operator (fifth generation) in the context of his own pub – Galvin’s – but had no history or pedigree in food.

7.6 There is little to be gained from the tone of the list in Beaufort. Galvin’s (PN 27428) is under appeal and subject to contemporaneous submissions. That leaves just The Beaufort Bar (PN 27439), which may or may not be estimated by the Commissioner but is assessed at €27,600 NAV.

7.7 In the Appellant’s Responding Precis, Mr Halpin noted that no weight has been placed on the accounts of the subject business by the respondent’s. Furthermore, he noted that the respondent’s takes issue with the fact that the split between the two properties is not signed off by the accountant, but this fundamentally misunderstands what an accountant can provide in such a circumstance. It is the accountant’s job to determine, to the satisfaction of Revenue, what the turnover and profit of a business are, and the relevant taxation (if any) thereon. In this instance, the business comprises two buildings, both of which serve alcohol. It is not in the gift of an accountant to determine which premises a pint was served in, that is for the occupier themselves. The total outlined in the accounts provided has been split by the occupiers based on their internal records and said split is equal to the total turnover of the business. Nonetheless, the accountants have provided non-statutory P&Ls which defines the food element of the Inn Between (as no food is served in Galvin’s Bar). This is set out in summary as follows, and is slightly at variance with the original figures set out owing to the manner in which certain elements were recorded in the occupier’s records:

Year	Total	Drink	Food
2022	€370,384	€196,997	€173,387
2023	€427,893	€218,414	€209,479
2024	€338,514	€140,398	€198,116

7.8 The respondent’s faults the appellants for the failure to provide the 2016 lease and additional accounting data for their other pub (VA23/5/1064). Whilst this is dealt with in detail in that submission, suffice to say that the appellants were neither the occupier nor the landlord and that they have provided a significant amount of additional detail which

would not be available to the respondent's otherwise.

- 7.9 The respondent's offers just one KRT, located in Listowel, some 50 kms away from the subject in an urban population of 4,230 persons. It remains a concern to the appellants that Tailte Eireann do not appear to have sufficient detail for lettings in rural locations such as the subject, particularly where they seek to undermine the rental evidence of the appellants. This is particularly important in the subject's case as the only KRT advanced has no food element.
- 7.10 The appellants agree that in terms of the tone of the list, the most important comparison is the common comparison (The Beaufort Bar). It is notable that the respondent's claims that this property has a smaller trading area than the subject property but does not share when the respondent's last surveyed the property. The photograph is by Google Streetview (2019) which implies that the respondent's did not survey the property as part of Reval 2023 but is relying on a significantly earlier survey.
- 7.11 Nonetheless, the appellants accept that the total FMT (€390,000 i.e. €270,000 drink and €120,000 food) is relevant in the subject case, being the only other FMT from the village. As no representations were received, the FMT has been formed out of trading in the period 2016-2019 (as this was what was requested prior to revaluation). The appellants were not in occupation of the subject property during that period and hence, we cannot supply trading data in the same years. What can be said with certainty is that significant inflation occurred as a result of Covid and the Ukraine war, along with a post-Covid surge owing to pent up demand. Therefore, whilst it appears at first glance that turnovers for these premises are on all fours; it is simply not the case. The appellants estimate that their turnover would have been 30% lower than the three year average if they had traded in the three years 2017-2019. Indeed, as costs have also significantly risen, they are financially worse off than they would have been pre-Covid with lower trade.

7.12 We hereby adjust our valuation to take account of the minor amendment to the three year averages of food and drink:

Drink Sales €185,000 @ 7% = €12,950

Food Sales €95,000 @ 5% = €4,750

Total NAV €17,70

## 8. RESPONDENT'S'S CASE

8.1 The established method of valuation for licensed premises is by the application of a percentage to the Fair Maintainable Trade (FMT). The main indicator of this is the actual annual turnover achieved in the year applicable to that of the Valuation Date, 2022, with the property operating hours to match its optimum beneficial level. However, the actual turnover for the subject property is shared with another separate pub, and despite requesting and emphasising the importance both from the agent several times and the owner that the accountant fill out and sign off the LP1 form, this was not done.

8.2 The trading information for the subject property is only for the years 2022 to 2024 and is Provides the combined turnover with another pub. This should have been itemised on the LP1 form and signed off by the accountant, but this was not done.

8.3 The trading information pre 2022, as requested, should have been supplied but this was not provided either.

8.4 It is therefore impossible to do the appropriate analysis on the turnover appropriate to each property.

8.5 As determined by the Valuation Tribunal in VA 14/5/967 (Longstone Investments Ltd), VA19/5/0376 (Solazzi Ltd), VA19/5/0480 (Aishling McMahon t/a The Wishing Well), and various other judgements cite *““It is long established in practice that the appropriate method of valuation in licenced premises is by the application of a percentage to the Fair Maintainable Trade. Fair Maintainable Trade represents the annual level of trade that can*

*be achieved by a reasonable efficient operator of the business in the subject property”.*

- 8.6 No evidence is put forward by the agent of a lease for the subject property.
- 8.7 The subject property only opened 3 days a week for part of the year and 2 days a week for the rest of the year. If analysing turnover, an upwards adjustment to arrive at FMT would have to happen to reflect the fact the property should be operating 7 days a week as the hypothetical tenant or reasonably efficient operator would operate the premises.
- 8.8 Comparisons cited by the agent are inferior pubs and do not offer the same offering, range and standard of facilities as the subject property.
- 8.9 The onus of proof in appeals before the Tribunal rests with the appellant.
- 8.10 The issue to be determined in this appeal is if the valuation of €35,000 is fair and equitable based on the available evidence, and based upon the established method of valuation for licensed premises together with the emerging tone of the list, the valuation is correct as supported by the comparative evidence, the details of the comparison properties are set out hereunder.
- 8.11 The Key Rental Transaction introduced by the Respondent’s valuer related to a Pub in Listowel , which served drinks only with no food element.

<b>Property Number</b>	69180
<b>Occupier</b>	Con Dillons Bar
<b>Address</b>	William Street, Listowel, Co. Kerry
<b>Trading Area</b>	59.50 sq.m
<b>Total Area</b>	85.70 sq.m
<b>Lease Commencement Date</b>	13/07/22
<b>Lease Term</b>	2 year
<b>Rent per annum</b>	€18,200
<b>NER @ Valuation Date</b>	€18,200
<b>NAV</b>	€21,000

<b>Fair Maintainable Trade</b>	<b>% applied as per scheme</b>	<b>NAV, €</b>
Drink sales €300,000	7 %	€21,000

**Commentary**

1. Situated in Listowel town with drink sales only and no commercial kitchen or car parking for customers.

## 8.12 Summary of Comparisons and Subject Property's NAV

<b>Property</b>	<b>Address</b>	<b>FMT</b>	<b>NAV</b>
27439	Beaufort Bar & Restaurant, Beaufort, Co. Kerry	Drink Sales €270,000 @ 8% Food Sales €220,000 less €100,000 @ 5%	€27,600
30241	The Golden Nugget, Fossa, Co. Kerry	Drink Sales €545,000 @ 8% Off Sales €38,000 @ 3% Food Sales €365,000 less €100,000 @ 5%	€57,900
27668	Kate Kearney's Cottage, Dungloe Upper, Beauford, Co. Kerry	Drink Sales €450,000 @ 8% Less Ent Costs Allowance - €450,000 @ 3% Food Sales €1,050,000 less €100,000 @ 5%	€79,000
<b>Subject Property</b>	Beaufort, Co. Kerry	Estimated NAV as trading information not provided until Tribunal stage and not in correct format to be analysed correctly.	<b>€35,000</b>

## 9. SUBMISSIONS

9.1 No Legal Submissions were made

## 10. FINDINGS AND CONCLUSIONS

10.1 On this appeal, the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Kerry County Council.

10.2 In any appeal to the Tribunal, the onus is on the appellant to demonstrate reason that the valuation placed on the property should be disturbed. This is a well-established principle and one from which the Tribunal cannot depart.

10.3 Both Valuers agree that the property was purchased by the Appellant in 2021. Neither party provided the purchase date.

10.4 The village of Beaufort appears to have 3 commercial premises in Pub – Bar – Food use at the February 2021 valuation date being:

1. The subject premises under appeal PN 27432 NAV €35,000
2. Galvin's Pub (connected party) PN 27428. (under separate appeal) No NAV Provided
3. The Beaufort Bar PN27439 NAV Comparison 1 NAV €27,600

10.5 Photographs of the subject premises were incorporated into both valuers' Precis of Evidence and it is clear from these photographs that the premises are primarily laid out as a restaurant premises as evidence from the configuration of the ground floor, the photograph also include a bar area, the extensive modern kitchens, prep area, stores and cold room for the kegs.

10.6 The Respondent's valuer cites the failure of the Appellant to provide the requested turnover trading information noting that an estimated NAV and trading information was not provided until the Tribunal stage and not in the correct format to allow it to be analysed correctly.

10.7 The Respondent's valuer stated that the trading information provided for the subject property was only for the years 2022 to 2024 which provided a combined turnover for the subject premises combined with another Galvin's pub. They noted that the requested turnover – trading information should have been itemised on the LP1 form and signed off by the accountant, which it was not and further confirmed that the trading information pre 2022 had been requested and it also had not provided , despite it having been requested.

10.8 The Respondent's valuer at Appendix 2 page 39 of his Precis provides a summary of the Co. Kerry Valuation scheme for Pubs

## Appendix 2 - Co. Kerry Valuation Scheme

Income Stream	County Kerry				
	Towns of Killarney, Tralee, Dingle, Kenmare		All other locations		
	Type 1	Type 2	Type 3	Type 4	Type 5
On Sales	9%	8%	8%	7%	6%
Off Sales	3%	3%	3%	3%	3%
Food	5%	5%	5%	5%	5%
Other	10%	10%	10%	10%	10%
<b>Notes</b>					
Type 1 : Pubs in Killarney, Dingle, Kenmare, Tralee with on-sales OR with on-sales & food sales with average GP margin >= 56%.					
Type 2: Pubs in Killarney, Dingle, Kenmare, Tralee with on-sales OR with on-sales & food sales with average GP margin < 56%.					
Type 3: Pubs in all OTHER locations with on-sales OR with on-sales and food sales with average GP margin >= 56%. In the absence of any further analysis of GP margins, all pubs with off-sales should be included					
Type 4: Pubs in all OTHER locations with on-sales OR with on-sales & food sales with average GP margin < 56%.					
Type 5: Pubs (excluding aforementioned) with FMT of less than or equal to €100,000					

- 10.9 In the Appellants valuers Precis of evidence dated 13<sup>th</sup> October 2025 and their undated responding Precis turnover figures – trading information for the subject premises was provided for the years 2022 – 2024. and could have afforded the parties a basis for discussions and a possible agreement acceptable to both parties.
- 10.10 The Appellants valuer has very clearly stated that prior to his client acquiring the subject Premises in 2021, no trading information could be provided as his clients were not the owners. It is clearly accepted that the subject premises was acquired by the appellants in 2021.
- 10.11 I am at a loss as to how the respondent’s valuer in the full knowledge of this fact, could have reasonably expected the Appellants to provide financial information prior to their ownership and not in their possession, such a demand, in my opinion, is manifestly unfair.
- 10.12 The respondent’s valuers single Key Rental Transaction relates to a pub where no food is served and is located some 50 km away from the subject premises in Listowel a town

with a population of 4,794 (census 2022) some 17.56 time larger in population terms. In my opinion a pub is likely to rent quicker and for a higher rent in Listowel than a rural location such as Beaufort, I do not considered this comparable property to be ‘similarly circumstanced and in my opinion it fails the test as it could not be considered comparable.as it does not share similar characteristics such as use, size and location to that of the subject property.

10.13 The Respondent’s valuer has provided an estimated NAV of €35,000 without explanation as to the basis for the calculation of the estimated turnover or how it relates to the Co Kerry Valuation Scheme nor is there any reference as to whether the subject property was assessed on the basis of All other locations Type,3, Type 4 or Type 5 as provided for the the Co Kerry Valuation Scheme.

10.14 I am satisfied that the Claimants Valuer has provided a clear explanation over the non-availability of turnover information prior to the current owners buying the property in 2021 and that they have provided sufficient financial information for the calculation of FMT and NAV for the property.

**DETERMINATION:**

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate to €22,459

2022 Total Turnover €370,384 split Drink €196,997 Food €173,387

NAV as at 1<sup>st</sup> Feb 2022

Co Kerry Valuation Scheme -All other locations Type 4

Drink Sales €196,997 @ 7% = € 13,789.79

Food Sales €173,387 @ 5% = € 8,669.35

Total NAV €22,459.14

**RIGHT OF APPEAL:**

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.