

Company Registration No. 1994330

BLUBECKERS LIMITED

Annual Report and Financial Statements

28 December 2014

MONDAY



L4GW5QPD

LD4

28/09/2015

#151

COMPANIES HOUSE

BLUBECKERS LIMITED

Registered No. 1994330

DIRECTORS

Danny Breithaupt (from 1 September 2014)

Stephen Critoph

Graham Price (resigned 2 May 2014)

Mary Willcock (from 5 May 2014)

COMPANY SECRETARY

Alex Small

AUDITOR

Deloitte LLP

Chartered Accountants and Statutory Auditor

London, UK

SOLICITORS

Slaughter and May

One Burnhill Row

London, UK

REGISTERED OFFICE

5-7 Marshalsea Road

London SE1 1EP

BLUBECKERS LIMITED

STRATEGIC REPORT

Principal activity and future developments

The principal activity of the Company is the operation of pub restaurants. The Directors do not foresee any material changes to the activities of the Company.

Business Review

Blubeckers Limited delivered a good performance in 2014 with increases in revenue, EBITDA, and recorded an operating profit. Like for like sales have continued to increase in 2015 and the Company is set to deliver a stronger performance.

Sales increased by 11% to £20,578,000 (2013: £18,526,000). EBITDA increased to £2,312,000 (2013: £1,398,000) and the Company delivered an operating profit of £463,000 (2013: loss of £505,000).

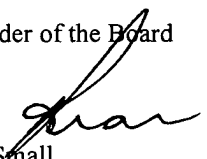
Key performance indicators

The Board of Directors and executive management receive a wide range of management information delivered in a timely manner. In addition to the key performance indicators of sales, operating profit, EBITDA (defined as operating profit before depreciation, amortisation, and exceptional items), other indicators of a more activity-specific nature are used to assess the performance of each pub restaurant. These are used in conjunction with the Company's internal controls and relate to a variety of aspects of the business, for example, gross margins, wage percentages and wastage levels.

Principal risks and uncertainties

The Directors consider the principal risks and uncertainties facing Blubeckers Limited to include adverse economic conditions and a decline in consumer confidence and spend in the UK, increase in prices of key raw materials, wages and overheads (including utilities), increased competition and increased regulation of the food and beverage industry leading to higher costs.

By Order of the Board



Alex Small
Company Secretary
25 September 2015

BLUBECKERS LIMITED

DIRECTORS' REPORT

The Directors present their report and accounts for 52 weeks ended 28 December 2014.

Results and dividends

The Report and Accounts are drawn up on a 52 week reporting basis ended 28 December 2014 with comparative 52 weeks ending 29 December 2013. In 2014, the Company made a profit after taxation of £342,000 (2013: loss of £337,000).

The Directors do not recommend the payment of a dividend (2013: £nil).

Financial instruments

The Board of the Company regularly reviews the financial requirements of the Company within the context of its financing arrangements within the group of companies to which it belongs (The Restaurant Group plc). The Company and Group do not use complicated financial instruments, and within the Group, where applicable financial instruments are used solely for the purpose of reducing interest rate risk. The Company's financing is arranged through intercompany transactions within the Group and the Company does not have stand-alone financing arrangements. Due to the nature of the Company's operational and financial structure the financial risks (including credit risk and exposures to fluctuations in currency and interest rates) are highly linked to that of the Group. The Group operates a centralised cash pooling and payments system and the financial arrangements of the Group are principally transacted through The Restaurant Group plc and a subsidiary of that Company, namely The Restaurant Group (UK) Limited.

Directors

The Directors who served throughout the year, except as noted, were:

Danny Breithaupt (appointed from 1 September 2014)

Stephen Critoph

Graham Price (resigned 2 May 2014)

Mary Willcock (appointed from 5 May 2014)

Employees

All restaurants receive regular communication packs with updates of what is happening within the Company. There are processes in place for monthly meetings within restaurants to cascade information throughout the Company and, most importantly, senior managers spend a considerable amount of time visiting the restaurants and discussing matters with the teams. The staff handbook clearly sets out that the Company offers equal employment rights regardless of age, colour, gender, sexual orientation, disability or religion and this is reinforced from the recruitment process onwards. There are clear and fair terms of employment within the Company, all staff are provided with a contract of employment or service agreement and there are fully documented procedures in place for disciplinary issues and grievances raised by employees.

Going concern

The Company is in net current liabilities position and made a profit of £342,000 in the year ending 28 December 2014 (2013: loss of £337,000). The Company is part of The Restaurant Group plc group which the Directors believe, having made enquiries, has sufficient financial resources and has committed to provide financial support for at least the next twelve months from the date of signing the accounts. Based on the Company's plans for 2015 and after making enquiries the Directors have a reasonable expectation that the Company has adequate resources to continue operations for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

BLUBECKERS LIMITED

Disclosure of information to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

1. so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. the Director has taken all the steps that he/she ought to have taken as a Director in order to have himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP has expressed their willingness to remain in office. In accordance with section 485 of the Companies Act 2006, a resolution proposing their reappointment as auditor of the Company will be put to the Annual General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT

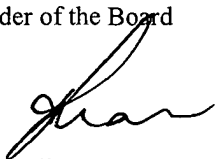
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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 that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board



Alex Small
Company Secretary
25 September 2015

BLUEBECKERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUEBECKERS LIMITED

We have audited the financial statements of Bluebeckers Limited for the 52 weeks ended 28 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

Respective responsibilities of Directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 December 2014 and of its profit for the 52 weeks 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.

Opinion on other matter prescribed by the Companies Act 2006

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

BLUEBECKERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUEBECKERS LIMITED
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

M. R. Lee-Amies

Mark Lee-Amies, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
25 September 2015

BLUBECKERS LIMITED**PROFIT AND LOSS ACCOUNT**

For the 52 weeks ended 28 December 2014

		52 weeks ended 28 December 2014 £'000	52 weeks ended 29 December 2013 £'000
	Notes		
Turnover	2	20,578	18,526
Cost of sales		<u>(19,994)</u>	<u>(18,627)</u>
Gross profit / (loss)		584	(101)
Administrative expenses		<u>(121)</u>	<u>(404)</u>
Profit / (loss) on ordinary activities before taxation	3	463	(505)
Tax on ordinary activities	4	<u>(121)</u>	<u>168</u>
Profit / (loss) for the financial year		<u><u>342</u></u>	<u><u>(337)</u></u>

There are no recognised gains and losses in either year other than the result for the year and consequently no separate statement of total recognised gains and losses has been prepared.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

BLUBECKERS LIMITED

BALANCE SHEET

As at 28 December 2014

	Notes	At 28 December 2014 £'000	At 29 December 2013 £'000
Fixed assets			
Tangible assets	5	27,460	28,081
Current assets			
Stocks	6	247	245
Debtors	7	341	299
Cash at bank and in hand		22	19
		<u>610</u>	<u>563</u>
Creditors: amounts falling due within one year	8	<u>(14,859)</u>	<u>(15,712)</u>
Net current liabilities		<u>(14,249)</u>	<u>(15,149)</u>
Total assets less current liabilities		13,211	12,932
Provisions for liabilities	9	<u>(654)</u>	<u>(717)</u>
Net assets		<u>12,557</u>	<u>12,215</u>
Capital and reserves			
Called up share capital	10, 11	5	5
Share premium account	11	456	456
Revaluation reserve	11	8,650	8,650
Profit and loss account	11	<u>3,446</u>	<u>3,104</u>
Shareholder's funds	12	<u>12,557</u>	<u>12,215</u>

The Board of Directors approved the financial statements of Blubeckers Limited (Company Registration number 1994330) on 25 September 2015.



Stephen Critoph
Director

The notes on pages 9 to 16 form part of these financial statements.

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

1. Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold and leasehold land and buildings prior to adoption of FRS 15 and have been prepared in accordance with applicable United Kingdom accounting standards.

No cash flow statement has been presented as the Company is a wholly owned subsidiary of The Restaurant Group plc whose group accounts include a group cash flow statement.

Going concern basis

The financial statements have been prepared on a going concern basis as, after making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements. The principal risks and uncertainties facing the Company and further comments on going concern are set out on pages 2 and 3.

Turnover

Turnover represents amounts received and receivable for services and goods provided (excluding value added tax and voluntary gratuities left by customers for the benefit of employees) and is recognised at the point of sale.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost less accumulated depreciation, except in the case of certain freehold and leasehold properties, which were valued before the adoption of FRS 15. In accordance with the transitional provisions set out in FRS 15, the Company has carried forward the book value of these properties, adjusted for subsequent periods. Depreciation is calculated to write off the cost less residual values on a straight-line basis over their estimated useful lives, as follows:

Freehold land	–	indefinite
Freehold buildings	–	50 years
Long and short leasehold property	–	unexpired term of lease or 50 years whichever is less
Fixtures and equipment	–	5 to 10 years
Motor vehicles	–	4 years

Under FRS 11, 'Impairment of Fixed Assets', adjustments are made to asset values, through additional depreciation if events indicate that the carrying value of fixed assets may not be recoverable.

Impairment

Any impairment of fixed assets, other than an impairment which represents a consumption of economic benefit, is eliminated against any revaluation reserve in respect of that asset with any excess being charged to the profit and loss account.

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

1. Accounting Policies (continued)

Leasing and hire purchase commitments

Assets held under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

Stock

Stock is valued at the lower of the cost and net realisable value.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year.

Current and deferred taxation

Corporation tax payable is provided on the taxable profit at the current rate. Deferred tax is recognised on a full provision basis (with certain exceptions required by Financial Reporting Standard 19).

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation, except where the gain on sale of an asset has been rolled over into replacement assets. Deferred tax balances are not discounted.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. Profit/Loss on ordinary activities before taxation

	52 weeks ended 28 December 2014 £'000	52 weeks ended 29 December 2013 £'000
Operating profit/loss is stated after charging:		
Depreciation of tangible assets	1,850	1,903
Operating lease rentals – land and buildings	778	780

Fees for the audit of the Company's annual accounts are borne by a fellow subsidiary undertaking of The Restaurant Group plc, namely The Restaurant Group (UK) Limited. The fees for the 52 weeks ended 28 December 2014 were £1,500 (2013: £2,000).

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

4. Taxation

	52 weeks ended 28 December 2014 £'000	52 weeks ended 29 December 2013 £'000
Current period tax		
UK Corporation tax at 21.5% (2013: 23.25%)	184	-
Corporation tax charge	<u>184</u>	<u>-</u>
Deferred tax		
Deferred tax credit current period	(63)	(65)
Credit in respect of rate change	-	(102)
Adjustment for prior years	-	(1)
Deferred tax credit	<u>(63)</u>	<u>(168)</u>
Total tax charge / (credit)	<u>121</u>	<u>(168)</u>
Factors affecting the tax charge for the period		
Profit / (loss) on ordinary activities before taxation	<u>463</u>	<u>(505)</u>
Profit / (loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.5% (2013: 23.25%)	100	(117)
Effects of:		
Non deductible expenses (including depreciation on non-qualifying assets)	113	132
Depreciation in excess of capital allowances	66	64
Other tax adjustments	(95)	(98)
Group relief	-	19
Corporation tax charge	<u>184</u>	<u>-</u>

The Finance Act 2012 introduced a reduction in the main rate of corporation tax from April 2014 from 23% to 21% resulting in a blended rate of 21.5% being used to calculate the tax liability for the 52 weeks ended 28 December 2014.

Further rate reductions in the main corporation tax rate to 20% from April 2015 was substantively enacted on 2 July 2013, therefore the deferred tax provision at the balance sheet date has been calculated at 20%.

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

5. Tangible fixed assets

	Land and buildings £'000	Fixtures, fittings and other equipment £'000	Total £'000
Cost or valuation			
At 29 December 2013	32,301	8,652	40,953
Additions	906	323	1,229
Disposals	-	(261)	(261)
At 28 December 2014	33,207	8,714	41,921
Depreciation			
At 29 December 2013	6,820	6,052	12,872
Charge for the period	1,081	769	1,850
Disposals	-	(261)	(261)
At 28 December 2014	7,901	6,560	14,461
Net book value			
At 28 December 2014	25,306	2,154	27,460
At 29 December 2013	25,481	2,600	28,081
		2014 £'000	2013 £'000
<i>Net book value of land and buildings</i>			
Freehold		21,749	21,827
Short leasehold		3,557	3,654
		25,306	25,481

Prior to adoption of FRS 15, the freehold and leasehold land and buildings of the Company were revalued by independent professional advisers, based on market value for existing use. This resulted in an increase in the book value of the land and buildings of £8,650,000 which has been credited against the revaluation reserve. Had the land and buildings been subject to revaluations, the net book value of tangible fixed assets at 28 December 2014 would be £18,810,000 (2013: £19,431,000).

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

6. Stock

	2014 £'000	2013 £'000
Finished goods and goods for resale	<u>247</u>	<u>245</u>

There is no material difference between the balance sheet value and replacement cost of stock.

7. Debtors

	2014 £'000	2013 £'000
Prepayments and accrued income	<u>341</u>	<u>299</u>
	<u>341</u>	<u>299</u>

8. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to Group undertakings	13,373	14,873
Corporation Tax	184	-
Accruals and deferred income	<u>1,302</u>	<u>839</u>
	<u>14,859</u>	<u>15,712</u>

9. Provisions for liabilities

	Provision for disposal of fixed assets £'000	Deferred tax £'000	Total £'000
Balance at 29 December 2013	30	687	717
Tax credit to the profit and loss account / utilised	-	(63)	(63)
Balance at 28 December 2014	<u>30</u>	<u>624</u>	<u>654</u>

The deferred tax liability is made up as follows:

	2014 £'000	2013 £'000
Accelerated capital allowances	<u>624</u>	<u>687</u>

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

10. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
5,219 Ordinary Shares of £1 each	<u>5,219</u>	<u>5,219</u>

11. Statement of movements on reserves

	Share capital account £'000	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
Balance at 29 December 2013	5	456	8,650	3,104	12,215
Profit for the period	-	-	-	342	342
Balance at 28 December 2014	<u>5</u>	<u>456</u>	<u>8,650</u>	<u>3,446</u>	<u>12,557</u>

12. Reconciliation of movements in shareholder's funds

	2014 £'000	2013 £'000
Profit / (loss) for the financial year	342	(337)
Net increase / (decrease) in shareholder's funds	<u>342</u>	<u>(337)</u>
Opening shareholder's funds	<u>12,215</u>	<u>12,552</u>
Closing shareholder's funds	<u>12,557</u>	<u>12,215</u>

13. Contingent liabilities

The Company has given a cross guarantee to The Restaurant Group (UK) Limited, a fellow subsidiary of The Restaurant Group plc, for borrowings held by that company. At 28 December 2014, the borrowings draw down by The Restaurant Group (UK) Limited under this guarantee amounted to £40,000,000 (29 December 2013: £50,000,000).

BLUBECKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 28 December 2014

14. Financial commitments

The Company was committed to making the following payments under non-cancellable operating leases in respect of land and buildings:

	At 28 December 2014 £'000	At 29 December 2013 £'000
Operating leases which expire:		
Within one year	-	55
Between two and five years	48	48
In over five years	733	649
	<u>781</u>	<u>752</u>

15. Capital commitments

The Company had no capital commitments contracted but not provided for in the financial statements at 28 December 2014 (29 December 2013: £nil).

16. Employees

The average number of staff employed by the Company during the period amounted to:

	2014	2013
Restaurant staff	355	341
Administration staff	2	1
	<u>357</u>	<u>342</u>

The aggregate payroll costs of the above were:

	2014 £'000	2013 £'000
Wages and salaries	6,783	6,516
Social security costs	521	475
Other pension costs	22	23
	<u>7,326</u>	<u>7,014</u>

None of the Directors received any remuneration from the Company during the current or preceding year. All of the employees during the year were also directors of The Restaurant Group (UK) Limited and were remunerated in that capacity.

17. Related party transactions

The Company has taken advantage of the exemption as a 100% subsidiary of The Restaurant Group plc from disclosing related party transactions and balances with other members of The Restaurant Group plc group.

18. Ultimate Parent Undertaking

The Restaurant Group plc, which is registered in Scotland (Registration No. SC30343) is the ultimate parent undertaking, the controlling party and the parent undertaking of the smallest and largest group for which group accounts are prepared. Copies of accounts of The Restaurant Group plc can be obtained from the Company Secretary at 5-7 Marshalsea Road, Borough, London SE1 1EP.