

Financial Statements Living Ventures Restaurants Limited

For the year ended 31 March 2010

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Company information

Company registration number:	02177931
Registered office:	4 - 6 Princess Street Knutsford Cheshire WA16 6DD
Directors:	T A Bacon J K Roberts A P Haigh J E Branagan S J Crimes P A Moran K L Muncaster
Secretary:	A P Haigh
Bankers:	Bank of Scotland 40 Spring Gardens Manchester M2 1EN
Solicitors:	Pinsent Masons 3 Colmore Circus Birmingham B4 6BH
Auditors:	Grant Thornton UK LLP Registered Auditors Chartered Accountants 4 Hardman Square Spinningfields Manchester M3 3EB

Index to the financial statements

Report of the directors	3 - 6
Report of the independent auditors	7 - 8
Principal accounting policies	9 - 11
Profit and loss account	12
Balance sheet	13
Notes to the financial statements	14 - 21

Report of the directors

The directors present their report together with the audited financial statements for the year ended 31 March 2010

Principal activity

The principal activity of the Company continues to be that of restaurateurs

Business review

The loss for the year after taxation amounted to £568,000 (2009 £213,000). The directors do not recommend the payment of a dividend (2009 £Nil)

Trading

Total sales were £24.1m, 7.5% higher than the previous year

Included in the previous years accounts were £248,000 of sales from the Harrogate restaurant, which was sold in September 2008. Consequently the like for like sales from our current estate of 14 restaurants were 8.6% higher than the previous year. Once again, this is a magnificent achievement and is significantly better than the average for the eating out market.

Current outlook

While the economic environment remains challenging, we are pleased that our sales in the first six months of this year continue to grow and profit margins improve.

Other principal risks and uncertainties

Management monitor other risks and uncertainties within the business, these include competition, restaurant performance and current economic conditions.

Key performance indicators

The Company uses a number of key performance indicators in assessing and driving performance. The key financial and non financial performance indicators used by the Company are, customer spend per head, gross margins, EBITDA per restaurant and wages as a proportion of sales.

Directors

The directors of the Company during the year are listed below. All served on the Board throughout the year unless otherwise stated.

T A Bacon
J K Roberts
A P Haigh
J E Branagan
S J Crimes
P A Moran
K L Muncaster (appointed 7 June 2010)

Financial risk management objectives and policies

The Company uses various financial instruments which include preference shares, cash, a bank overdraft and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The main risks arising from the Company's financial instruments are market risk, cash flow, interest rate risk, liquidity risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses two types of risk, being currency risk and fair value interest rate risk. The Company's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency risk

The Company has no exposure to either translation or transaction foreign exchange risk, since all of the Company's operations are carried out within the United Kingdom.

Interest rate risk

The Company finances its operations through a combination of retained profits, a bank overdraft and loans from group companies. The directors therefore consider the Company's exposure to interest rate fluctuations to be minimal.

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by overdraft facilities and funding from group companies.

Credit risk

The Company's principal financial assets are cash. Since the nature of the Company's operations are such that trade debtors are minimal, the directors consider that the Company has limited exposure to credit risk.

Employees

The Company has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Company. This is achieved through consultation with employee representatives. It is the policy of the Company to maintain the employment of disabled persons wherever practicable and to ensure appropriate opportunities for their training, career development and promotion.

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the directors 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 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 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.

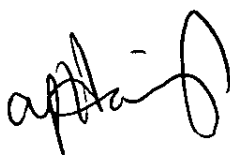
In so far as the directors are aware

- there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'A P Haigh', with a stylized flourish at the end.

A P Haigh
Director
17 December 2010



Report of the independent auditors to the members of Living Ventures Restaurants Limited

We have audited the financial statements of Living Ventures Restaurants Limited for the year ended 31 March 2010 which comprise in the profit and loss account, balance sheet and the related notes. 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 auditors

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. Our responsibility is to audit 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 31 March 2010 and of its loss for the year 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.



Report of the independent auditors to the members of Living Ventures Restaurants Limited

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

Grant Thornton UK LLP

Joanne Kearns
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
17 December 2010

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention

The principal accounting policies of the Company have remained unchanged from the previous year and are set out below. The directors have reviewed the accounting policies in accordance with FRS 18 and consider them to be the most appropriate to the Company's circumstances

Accounting period

The financial statements have been drawn up for the 52 weeks ended 28 March 2010 (2009: 52 weeks ended 29 March 2009)

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 3

The Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk are described in the Report of the Directors on pages 3 to 6. In particular, the Company is financed by loans from its intermediate parent company LV Finance Limited. LV Finance Limited is financed by a combination of bank borrowings and loan notes to Directors and The Restaurant Group Plc, which owns 37.4% of the issued share capital of the Company's ultimate parent undertaking, Living Ventures Restaurants Group Limited. Accordingly, the Company has given an unlimited cross guarantee in relation to these bank borrowings, which at 31 March 2010 amounted to £4,662,500 (2009: £4,881,250)

The Company meets its day to day working capital requirements through an overdraft facility which is currently renewed periodically. The Group's forecasts and projections which take into account reasonable possible changes in trading performance show that the Group will be able to operate comfortably within the level of the current facilities and the directors have a reasonable expectation that the facility will continue to be renewed following the next renewal date of February 2011.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Consolidation

The Company is a wholly owned subsidiary of LV Finance Limited incorporated in England and Wales, and in accordance with section 400 of the Companies Act 2006, is not required to produce, and has not published consolidated financial statements. Accordingly, these accounts present information about the Company and not about the group.

Turnover

Turnover is the total amount receivable by the Company for food and liquor supplied to customers, excluding VAT. Function deposits and gift vouchers are recognised as turnover when the function occurs or the voucher is tendered.

Goodwill

Purchased goodwill, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life. Negative goodwill is written back to the profit and loss account to match the recovery of the non-monetary assets acquired.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, on a straight line basis over their expected useful lives. The expected useful lives are as follows:

Leasehold property	Period of lease
Fixtures, fittings and equipment	10 – 33% on cost
Motor vehicles	25% on cost

Stocks

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

Current tax

The current tax charge is based on the profit for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

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.

Contributions to pension funds

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to personal pension plans in respect of the accounting year.

Financial instruments

Classification as equity or financial liability

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement in accordance with FRS 1 (Revised) on the basis that the ultimate parent undertaking has prepared a consolidated cash flow statement.

Profit and loss account

	Note	2010 £000	2009 £000
Turnover – continuing operations	1	24,068	22,390
Cost of sales		<u>(5,769)</u>	<u>(5,396)</u>
Gross profit		18,299	16,994
Administrative expenses		(18,259)	(16,937)
EBITDA before exceptional items		1,659	1,647
Exceptional operating expenses	3	(173)	(239)
Depreciation		(1,423)	(1,337)
Amortisation of intangibles		(23)	(14)
Operating profit – continuing operations		<u>40</u>	<u>57</u>
Net interest	4	(380)	(373)
Loss on ordinary activities before taxation	1	<u>(340)</u>	<u>(316)</u>
Tax on loss on ordinary activities	5	(228)	103
Loss for the financial year	15	<u><u>(568)</u></u>	<u><u>(213)</u></u>

There were no recognised gains or losses other than the loss for the financial year

Balance sheet

	Note	2010 £000	2009 £000
Fixed assets			
Intangible assets	6	176	199
Tangible assets	7	11,565	12,705
Investments	8	—	—
		<u>11,741</u>	<u>12,904</u>
Current assets			
Stocks	9	348	426
Debtors	10	863	784
Cash at bank and in hand		227	65
		<u>1,438</u>	<u>1,275</u>
Creditors: amounts falling due within one year	11	<u>(7,322)</u>	<u>(7,982)</u>
Net current liabilities		<u>(5,884)</u>	<u>(6,707)</u>
Total assets less current liabilities		5,857	6,197
Creditors, amounts falling due after more than one year	12	(215)	(215)
Provisions for liabilities	13	(805)	(577)
Net assets		<u>4,837</u>	<u>5,405</u>
Capital and reserves			
Called up share capital	14	—	—
Share premium account	15	5,639	5,639
Profit and loss account	15	(802)	(234)
Shareholders' funds	16	<u>4,837</u>	<u>5,405</u>

The financial statements were approved by the Board of Directors on 17 December 2010

A P Haigh
Director



Living Ventures Restaurants Limited
Company no 02177931

Notes to the financial statements

1 Turnover and loss on ordinary activities before taxation

The turnover and loss on ordinary activities before taxation are attributable to the principal activity of the Company and arose entirely within the United Kingdom

The loss on ordinary activities before taxation is stated after charging

	2010 £000	2009 £000
Amortisation of intangible assets	23	14
Depreciation – owned assets	1,423	1,337
Profit on disposal of tangible fixed assets	–	6
Auditors' remuneration		
– audit services	22	21
– non audit services - tax compliance	4	4
Operating lease rentals – land and buildings	1,413	1,526

2 Directors and employees

	2010 £000	2009 £000
Staff costs during the year were as follows		
Wages and salaries	8,990	7,820
Social security costs	783	772
Pension costs	54	54
	9,827	8,646

	2010 £000	2009 £000
The average number of employees during the year was		
Retail (including part time employees)	479	475
Management and administration	107	109
	586	584

	2010 £000	2009 £000
The remuneration of the directors was as follows		
Emoluments	912	668
Pension contributions to money purchase schemes	54	54
	966	722

During the year, two directors (2009 two) participated in money purchase pension schemes

Directors and employees (continued)

The amounts set out above include remuneration in respect of the highest paid director as follows

	2010 £000	2009 £000
Emoluments	258	176
Pension contributions to money purchase schemes	27	27
	<u>285</u>	<u>203</u>

3 Exceptional items

Exceptional administrative expenses disclosed within administrative expenses are analysed as follows

	2010 £000	2009 £000
Unit pre-opening expenses	–	239
Start up costs for "At Home with Gusto"	173	–
	<u>173</u>	<u>239</u>

Unit pre-opening expenses in 2009 include incremental costs incurred by the Company in rebranding its restaurant portfolio

Exceptional expenses in 2010 include the start up costs incurred in setting up the "At Home with Gusto" takeaway and delivery service

4 Net interest

	2010 £000	2009 £000
Interest payable on loans and overdrafts	40	36
Interest payable to group undertaking	314	333
Dividends on shares classified as financial liabilities	26	26
	<u>380</u>	<u>395</u>
Interest received	–	(22)
	<u>380</u>	<u>373</u>

5 Tax on loss on ordinary activities

	2010 £000	2009 £000
The tax charge/(credit) represents		
Adjustment in respect of previous years	-	(17)
Deferred taxation (note 13)	228	(86)
	<u>228</u>	<u>(103)</u>

Factors affecting the tax charge/(credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom of 28% (2009 28%) The differences are explained as follows

	2010 £000	2009 £000
Loss on ordinary activities before taxation	<u>(340)</u>	<u>(316)</u>
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	(95)	(88)
Effect of		
Expenses not deductible for tax purposes	144	140
Difference between capital allowances for the year and depreciation	4	248
Group relief claimed before payment	(76)	(140)
Trade losses utilised	-	(148)
Other timing differences	23	(14)
Chargeable gains	305	2
Adjustment in respect of prior years	-	(17)
Timing differences - Capital gains	<u>(305)</u>	<u>-</u>
Current tax credit for the year	<u>-</u>	<u>(17)</u>

6 Intangible fixed assets

	Purchased goodwill £000	Trademark £000	Total £000
Cost			
At 1 April 2009 and at 31 March 2010	<u>327</u>	<u>100</u>	<u>427</u>
Amortisation			
At 1 April 2009	228	-	228
Provided in the year	14	9	23
At 31 March 2010	<u>242</u>	<u>9</u>	<u>251</u>
Net book amount			
At 31 March 2010	<u>85</u>	<u>91</u>	<u>176</u>
At 31 March 2009	<u>99</u>	<u>100</u>	<u>199</u>

7 Tangible fixed assets

	Leasehold property £000	Fixtures, fittings, equipment and motor vehicles £000	Total £000
Cost			
At 1 April 2009	11,016	14,362	25,378
Additions	6	277	283
Transfers	713	(713)	–
At 31 March 2010	<u>11,735</u>	<u>13,926</u>	<u>25,661</u>
Depreciation			
At 1 April 2009	5,294	7,379	12,673
Provided in the year	422	1,001	1,423
Transfers	30	(30)	–
At 31 March 2010	<u>5,746</u>	<u>8,350</u>	<u>14,096</u>
Net book amount			
At 31 March 2010	<u>5,989</u>	<u>5,576</u>	<u>11,565</u>
At 31 March 2009	<u>5,722</u>	<u>6,983</u>	<u>12,705</u>

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost and net book amount	
At 1 April 2009 and 31 March 2010	<u>7</u>

At 31 March 2009, the Company had interests in the following subsidiary undertakings

Name of subsidiary	Country of incorporation	Class of share capital held	Proportion held	Nature of business
Miniccino's Limited	England	Ordinary	100%	Dormant
Mosquito Limited	England	Ordinary	100%	Dormant
ZacCo1 Limited	England	Ordinary	100%	Dormant
ZacCo2 Limited	England	Ordinary	100%	Dormant
Living Ventures Group Plc	England	Ordinary	100%	Dormant

9 Stocks

	2010 £000	2009 £000
Raw materials and consumables	<u>348</u>	<u>426</u>

10 Debtors

	2010 £000	2009 £000
Trade debtors	90	105
Prepayments and accrued income	580	497
Other debtors	<u>193</u>	<u>182</u>
	<u>863</u>	<u>784</u>

11 Creditors: amounts falling due within one year

	2010 £000	2009 £000
Bank overdraft	12	448
Trade creditors	1,176	1,486
Amounts owed to group undertakings	3,608	3,914
Social security and other taxes	753	801
Other creditors	136	107
Accruals and deferred income	<u>1,637</u>	<u>1,226</u>
	<u>7,322</u>	<u>7,982</u>

The bank overdraft is secured by a first legal charge over certain assets of the Company

12 Creditors: amounts falling due after more than one year

	2010 £000	2009 £000
Shares classified as financial liabilities (note 14)	<u>215</u>	<u>215</u>

13 Provisions for liabilities

	Deferred taxation £000
At 1 April 2009	577
Charge for the year	228
At 31 March 2010	<u>805</u>

Deferred taxation, all of which is provided, is calculated using a tax rate of 28% and is set out below

	2010 £000	2009 £000
Accelerated capital allowances	581	595
Other timing differences	(81)	(18)
Capital gains	305	—
	<u>805</u>	<u>577</u>

14 Share capital

	2010 Number	2009 Number	2010 £000	2009 £000
Authorised				
Ordinary shares of 1p each	32,598	32,598	—	—
Preferred ordinary shares of £1 each	7,551	7,551	8	8
Preference shares of £1 each	<u>207,000</u>	<u>207,000</u>	<u>207</u>	<u>207</u>
	<u>247,149</u>	<u>247,149</u>	<u>215</u>	<u>215</u>
Allotted, called up and fully paid				
Ordinary shares of 1p each	32,598	32,598	—	—
Preferred ordinary shares of £1 each	7,551	7,551	8	8
Preference shares of £1 each	<u>207,000</u>	<u>207,000</u>	<u>207</u>	<u>207</u>
	<u>247,149</u>	<u>247,149</u>	<u>215</u>	<u>215</u>
Shares classified as financial liabilities.				
Preferred ordinary shares of £1 each			8	8
Preference shares of £1 each			<u>207</u>	<u>207</u>
			<u>215</u>	<u>215</u>

Share capital (continued)

Share rights

Ordinary shares

The Ordinary shareholders have a right to a dividend if resolved by the Directors, from the distributable profits remaining after making provision for payment of the Preferred Dividend or the Participating Dividend. The holders of Ordinary Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company, with one share equal to one vote.

Preferred ordinary shares

The Preferred ordinary shareholders are entitled to a fixed cumulative preferential participating dividend of 15% per annum and a cumulative cash dividend calculated as 15% of the profit after tax, both taking priority over any dividend payable to ordinary shareholders. The dividends shall become payable no later than six months immediately following the end of the accounting period to which they relate. Any unpaid amounts after this date accrue interest at 2.5% above the base rate of the Governor and Company of Bank of Scotland (whichever is greater).

Holders of preferred ordinary shares shall be entitled to receive notice of, to attend and to vote at, general meetings of the Company, with one share equal to one vote. The rights and obligations of the holders under the Memorandum and Articles of Association of the Company may be altered only with the written consent of a 75% majority of the issued preference ordinary shares.

Preference shares

The Company shall, in priority over the payment of any dividend to holders of Ordinary Shares, pay a fixed cumulative preferential dividend of 12% of the subscription price per annum. The dividends shall become payable no later than six months immediately following the end of the accounting period to which they relate. Any unpaid amounts after this date accrue interest at 2.5% above the base rate of the Governor and Company of Bank of Scotland (whichever is greater).

The holders of the Preference Shares shall be entitled to receive notice of but not to attend or vote at general meetings of the Company.

15 Share premium account and reserves

	Share premium account £000	Profit and loss account £000
At 1 April 2009	5,639	(234)
Loss for the financial year	-	(568)
At 31 March 2010	<u>5,639</u>	<u>(802)</u>

16 Reconciliation of movements in shareholders' funds

	2010 £000	2009 £000
Loss for the financial year	(568)	(213)
Net movement in shareholders' funds	(568)	(213)
Opening shareholders' funds	5,405	5,618
Closing shareholders' funds	4,837	5,405

17 Leasing commitments

Operating lease payments amounting to £1,709,000 (2009 £1,697,000) are due within one year. The leases to which these amounts relate expire as follows:

	2010 £000	2009 £000
Land and buildings		
Within one year	3	—
Within two to five years	408	34
After five years	1,298	1,663
	1,709	1,697

18 Capital commitments

The Company had no capital commitments outstanding at 31 March 2010 (2009 £5,000).

19 Contingent liabilities

The Company has given an unlimited cross guarantee of other Group undertakings' bank financing which at 31 March 2010 amounted to £4,662,500 (2009 £4,881,250).

20 Related party transactions

The Company has taken advantage of the exemptions of FRS 8 and has not disclosed transactions with Group undertakings.

During the year, the company supplied goods and services to Suburbia Bar Lounge and Club Ltd amounting to £35,033. The amount outstanding at the year end amounted to £13,767. The company has directors in common with Suburbia Bar Lounge and Club Ltd.

21 Ultimate parent undertaking

The immediate parent undertaking of the Company is LV Finance Limited. The directors consider the ultimate parent undertaking of this Company is Living Ventures Restaurants Group Limited (formerly Pimco 2637 Limited) by virtue of its shareholding.

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Living Ventures Restaurants Group Limited (formerly Pimco 2637 Limited). Copies of the group financial statements can be obtained from Companies House.

22 Approval of the financial statements

The financial statements were approved by the board and authorised for issue on 17 December 2010.