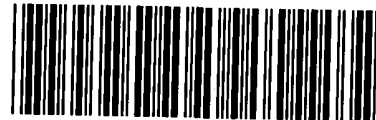


Company Registration No. 02583811 (England and Wales)

SOLITAIRE RESTAURANTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017
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SOLITAIRE RESTAURANTS LIMITED

COMPANY INFORMATION

Directors	Mr M Nicholas Mr P Nicholas
Secretary	Mr M Nicholas
Company number	02583811
Registered office	Group Accounts The Lock Tavern 35 Chalk Farm Road London NW1 8AJ
Auditor	SPW (UK) LLP Chartered Accountants Gable House 239 Regents Park Road London N3 3LF

SOLITAIRE RESTAURANTS LIMITED

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SOLITAIRE RESTAURANTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2017

The directors present the strategic report for the year ended 31 May 2017.

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are the current economic climate and interest rates.

Key Performance Indicators

The group monitors business performance based on the key performance indicators focusing on increasing profitability, margins and cash flow.

On behalf of the board



Mr M Nicholas
Director
31 January 2018

SOLITAIRE RESTAURANTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4	10,682,202		8,043,679	
Current assets					
Stocks	6	65,936		50,651	
Debtors	7	10,919,366		11,768,233	
Cash at bank and in hand		1,706,029		1,525,597	
		<u>12,691,331</u>		<u>13,344,481</u>	
Creditors: amounts falling due within one year	8	<u>(9,936,313)</u>		<u>(7,505,428)</u>	
Net current assets		2,755,018		5,839,053	
Total assets less current liabilities		13,437,220		13,882,732	
Creditors: amounts falling due after more than one year	9	(2,128,592)		(3,259,679)	
Provisions for liabilities	11	(36,838)		-	
Net assets		<u>11,271,790</u>		<u>10,623,053</u>	
Capital and reserves					
Called up share capital	13	80		80	
Profit and loss reserves		<u>11,271,710</u>		<u>10,622,973</u>	
Total equity		<u>11,271,790</u>		<u>10,623,053</u>	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 31 January 2018 and are signed on its behalf by:

Mr M Nicholas
Director



Company Registration No. 02583811

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

Solitaire Restaurants Limited is a private company limited by shares incorporated in England and Wales. The registered office is Group Accounts, The Lock Tavern, 35 Chalk Farm Road, London, NW1 8AJ.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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:

Land and buildings Freehold	1% on reducing balance
Land and buildings Leasehold	over the term of the lease
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

1.6 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 the lower of replacement cost and 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.

1.7 Cash at bank and in hand

Cash at bank and in hand 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.

1.8 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.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

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 payments 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.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

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 through 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.

Derecognition of financial liabilities

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

1.9 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.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2017 Number	2016 Number
62	62

Their aggregate remuneration comprised:

2017 £	2016 £
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Wages and salaries	900,840	964,219
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4 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2016	5,051,001	3,411,558	640,685	22,797	9,126,041
Additions	17,469	2,877,461	85,381	-	2,980,311
At 31 May 2017	5,068,470	6,289,019	726,066	22,797	12,106,352
Depreciation and impairment					
At 1 June 2016	173,918	381,431	506,206	20,807	1,082,362
Depreciation charged in the year	48,946	236,651	55,694	497	341,788
At 31 May 2017	222,864	618,082	561,900	21,304	1,424,150
Carrying amount					
At 31 May 2017	4,845,606	5,670,937	164,166	1,493	10,682,202
At 31 May 2016	4,877,084	3,030,127	134,478	1,990	8,043,679

5 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	10,823,762	11,646,000
Carrying amount of financial liabilities		
Measured at amortised cost	11,904,289	10,699,798

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

6 Stocks

	2017 £	2016 £
Finished goods and goods for resale	65,936	50,651

7 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	70,217	76,348
Amounts owed by group undertakings	9,954,200	11,002,589
Other debtors	633,592	466,012
Prepayments and accrued income	261,357	223,284
	10,919,366	11,768,233

8 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	10	164,557	200,492
Trade creditors		564,318	454,160
Amounts due to group undertakings		8,973,396	6,716,601
Corporation tax		160,616	50,099
Other taxation and social security		-	15,210
Other creditors		38,266	30,845
Accruals and deferred income		35,160	38,021
		9,936,313	7,505,428

9 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	10	1,415,949	1,544,565
Other borrowings	10	712,643	1,715,114
		2,128,592	3,259,679

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

10 Loans and overdrafts

	2017 £	2016 £
Bank loans	1,580,501	1,745,052
Bank overdrafts	5	5
Other loans	712,643	1,715,114
	<u>2,293,149</u>	<u>3,460,171</u>
Payable within one year	164,557	200,492
Payable after one year	<u>2,128,592</u>	<u>3,259,679</u>

The long-term loans are secured by fixed charges over the freehold and leasehold properties.

11 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	12	<u>36,838</u>	<u>-</u>

12 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
ACAs	<u>36,838</u>	<u>-</u>
Movements in the year:		2017 £
Liability at 1 June 2016		-
Charge to profit or loss		<u>36,838</u>
Liability at 31 May 2017		<u>36,838</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

SOLITAIRE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

13 Share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
80 Ordinary of £1 each	80	80
	<u>80</u>	<u>80</u>

14 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 Paul Winter.
The auditor was SPW (UK) LLP.

15 Related party transactions

The following amounts were outstanding at the reporting end date:

Creditors includes amounts due to related companies other than wholly owned subsidiaries: North Road Bar Limited £Nil (2016 - £62,420), Bruce Bar Limited £324,722 (2016 - £222,081), Havhill Limited £Nil (2016 - £75,000).

The following amounts were outstanding at the reporting end date:

Debtors includes amounts due from related companies other than wholly owned subsidiaries: Rose Three Limited £16,760 (2016 - £15,572), Rose Four Limited £205,818 (2016 - £1,447,103), Rose Ten Limited £950,549 (2016 - £Nil), Lily Two (UK) Limited £117,299 (2016 - £117,299), Bodeans Holdings Limited £1,398,392 (2016 - £913,392).

16 Controlling party

The ultimate parent company is Solitaire Restaurants Holdings Limited, a company registered in England and Wales.

Solitaire Restaurants Holdings Limited prepares group financial statements.