

**FRANDEK LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**FRANDEK LIMITED**  
**REGISTERED NUMBER:04286742**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	<b>331,424</b>	310,154
		<b>331,424</b>	310,154
<b>Current assets</b>			
Stocks	5	<b>41,903</b>	46,524
Debtors: amounts falling due after more than one year	6	<b>25,705</b>	25,705
Debtors: amounts falling due within one year	6	<b>1,485,304</b>	1,302,852
Cash at bank and in hand	7	<b>100,598</b>	87,269
		<b>1,653,510</b>	1,462,350
Creditors: amounts falling due within one year	8	<b>(1,821,025)</b>	(1,805,451)
<b>Net current liabilities</b>		<b>(167,515)</b>	(343,101)
<b>Total assets less current liabilities</b>		<b>163,909</b>	(32,947)
Creditors: amounts falling due after more than one year	9	<b>(11,027)</b>	(18,811)
<b>Provisions for liabilities</b>			
Deferred tax		<b>(30,140)</b>	-
		<b>(30,140)</b>	-
<b>Net assets/(liabilities)</b>		<b>122,742</b>	(51,758)
<b>Capital and reserves</b>			
Called up share capital	10	<b>135,100</b>	135,100
Profit and loss account		<b>(12,358)</b>	(186,858)
		<b>122,742</b>	(51,758)

**FRANDEK LIMITED**  
**REGISTERED NUMBER:04286742**

**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2019**

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The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**M H Tillman**  
Director

Date: 18 June 2020

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**1. General information**

Frandek Limited is a private company, limited by shares, registered in England and Wales, registration number 04286742. The registered office address is 18 Bristol Gardens, London, W9 2JQ.

The principal activity of the company continued to be that of owning and running of a restaurant.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

**2.2 Going concern**

The directors are assessing, on a daily basis, the impact of the significant uncertainty arising from the COVID-19 virus. The directors have reviewed the financial circumstances of the company and have a reasonable expectation that the company has adequate resources to support the business. The directors are satisfied that the company will be able to satisfy its financial obligations for at least 12 months from the date of signature of the financial statements, which have been prepared on the going concern basis.

**2.3 Functional and presentation currency**

The company's functional and presentational currency is pound sterling.

**2.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sale of food and beverages is recognised when the goods have been provided.

**2.5 Operating leases**

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.6 Finance costs**

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**2. Accounting policies (continued)**

**2.7 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**2. Accounting policies (continued)****2.9 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	-	straight line over 10 years
Motor vehicles	-	20% reducing balance
Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

**2.10 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.11 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.12 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

**2.15 Financial instruments**

The company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from other third parties, related parties and loans to related parties.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**3. Employees**

The average monthly number of employees, including directors, during the year was 43 (2018 - 44).

**4. Tangible fixed assets**

	Leasehold property	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 October 2018	564,348	25,520	1,076,252	94,109	1,760,229
Additions	-	-	114,167	808	114,975
Disposals	-	(25,520)	(22,888)	-	(48,408)
At 30 September 2019	564,348	-	1,167,531	94,917	1,826,796
<b>Depreciation</b>					
At 1 October 2018	564,348	15,194	783,267	87,266	1,450,075
Charge for the year	-	833	81,994	1,385	84,212
Disposals	-	(16,027)	(22,888)	-	(38,915)
At 30 September 2019	564,348	-	842,373	88,651	1,495,372
<b>Net book value</b>					
At 30 September 2019	-	-	325,158	6,266	331,424
<b>At 30 September 2018</b>	-	10,326	292,985	6,843	310,154

**5. Stocks**

	2019 £	2018 £
Food and beverage	41,903	46,524
	<u>41,903</u>	<u>46,524</u>

FRANDEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019

6. Debtors

	2019 £	2018 £
<b>Due after more than one year</b>		
Other debtors	25,705	25,705
	<u>25,705</u>	<u>25,705</u>

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	102	-
Amounts owed by connected entities	1,308,349	1,085,827
Other debtors	152,558	193,679
Prepayments and accrued income	24,295	23,346
	<u>1,485,304</u>	<u>1,302,852</u>

7. Cash

	2019 £	2018 £
Cash at bank and in hand	100,598	87,269
	<u>100,598</u>	<u>87,269</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**8. Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	207,085	200,691
Amounts owed to group undertakings	222,061	208,948
Amounts owed to connected entities	1,111,690	1,098,574
Corporation tax	32,529	17,760
Other taxation and social security	127,212	136,429
Obligations under hire purchase contracts	7,784	16,126
Other creditors	77,660	97,937
Accruals and deferred income	35,004	33,991
	<u>1,821,025</u>	<u>1,805,451</u>

HSBC Bank PLC and a director holds fixed and floating charges over the assets of the company in respect of all the amounts due from the company. Frandek Limited is a subsidiary acting as a guarantor to its parent Frandek Holdings Limited.

**9. Creditors: amounts falling due after more than one year**

	2019 £	2018 £
Obligations under hire purchase contracts	11,027	18,811
	<u>11,027</u>	<u>18,811</u>

**10. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
10,000 (2018 - 10,000) ordinary shares of £0.01 each	100	100
3,500,000 (2018 - 3,500,000) B ordinary shares of £0.01 each	35,000	35,000
100,000 (2018 - 100,000) redeemable preference shares of £1.00 each	100,000	100,000
	<u>135,100</u>	<u>135,100</u>

**11. Pension commitments**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,829 (2018 - £5,751). Included in other creditors at the year end there is an amount payable of £3,967 (2018 - £3,446).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**12. Commitments under operating leases**

At 30 September 2019 the company had future minimum lease payments under non cancellable operating leases of £699,654 (2018 - £857,582).

**13. Controlling party**

The company is owned by Frandek Holdings Limited and is ultimately controlled by M H Tillman, a director and a majority shareholder of the parent company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.