

COMPANY REGISTRATION NUMBER: 05165526

Kram Restaurants Limited
Financial Statements
23 December 2018

Kram Restaurants Limited

Financial Statements

Period from 25 December 2017 to 23 December 2018

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Kram Restaurants Limited

Officers and Professional Advisers

The board of directors

Mrs L E Herbert
Mr A G Purnell
Mr M A Herbert
Mr J Carlisle

Company secretary

Mr A G Purnell

Registered office

C/O DWF LLP
1 Scott Place
2 Hardman Street
Manchester
England
M3 3AA

Auditor

Maneely Mc Cann
Chartered Accountants & Statutory Auditors
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

Bankers

Danske Bank
Donegall Square West
Belfast
BT1 6JS
Lloyds
45 High Street
Maidenhead
Berkshire
SL6 1JL

Solicitors

DWF (Northern Ireland) LLP
Jefferson House
42 Queen Street
Belfast
BT1 6HL

Kram Restaurants Limited

Strategic Report

Period from 25 December 2017 to 23 December 2018

Principal activities and business review

The principal activity of the company during the year continues to be that of the provision of fast food services under franchises with Kentucky Fried Chicken (Great Britain) Limited. The company's revenues are generated by fast food sales. The company operates throughout England. Overall the directors are satisfied with the company's results for the period. The KFC franchise business continues to trade strongly. The key performance indicators that management monitored on a monthly basis during the year were as follows: - store by store growth compared to prior period - food costs as a percentage of sales - labour costs as a percentage of sales - labour hours used on a weekly, store by store basis compared to sales achieved and same week prior year. The company is well placed to deal with any uncertainties that may arise and the directors are involved in prudent business planning and working closely with the company's key stakeholders. The directors continue to seek opportunities for investment and development that fit with the company's strategic objectives. The company's actual result for the year is an operating profit of £0.86m (2017: £1.16m) and a profit on ordinary activities before tax of £0.86m (2017: £1.16m). At the year end net assets of the company were £5.13m (2017: £4.50m).

Future developments

The directors continue to seek opportunities for investment and development that fit with the company's strategic objectives.

Principal risks and uncertainties

The KFC business is sensitive to consumer spending habits, inflation and increased costs which include wages, energy costs and direct costs. The directors however focus strongly on managing and mitigating these risks as well as exploring new opportunities for the business.

Financial risk management

The company's operations expose it to a variety of financial risks in respect to its use of financial instruments that include liquidity risk and interest rate risk. Credit risk is negligible as the company does not make any credit sales. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub committee. The policies are set and reviewed by the directors, and are implemented by the company's finance team. The main risks are summarised below: Liquidity risk The company actively maintains a mixture of long-term and short-term finance to ensure sufficient liquidity available for operations and any planned expansions. Interest rate risk The company finances its operations through a combination of bank overdrafts and loans from related parties, and has a policy of maintaining debt at competitive rates to ensure a reasonable degree of certainty over future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

This report was approved by the board of directors on 26 June 2019 and signed on behalf of the board by:

Mr M A Herbert

Director

Registered office:

C/O DWF LLP

1 Scott Place

2 Hardman Street

Manchester

England

M3 3AA

Kram Restaurants Limited

Directors' Report

Period from 25 December 2017 to 23 December 2018

The directors present their report and the financial statements of the company for the period ended 23 December 2018 .

Directors

The directors who served the company during the period were as follows:

Mrs L E Herbert

Mr A G Pumell

Mr M A Herbert

Mr J Carlisle

Dividends

The directors do not recommend the payment of a dividend.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 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;
- 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.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 26 June 2019 and signed on behalf of the board by:

Mr M A Herbert

Director

Registered office:

C/O DWF LLP

1 Scott Place

2 Hardman Street

Manchester

England

M3 3AA

Kram Restaurants Limited

Independent Auditor's Report to the Members of Kram Restaurants Limited

Period from 25 December 2017 to 23 December 2018

Opinion

We have audited the financial statements of Kram Restaurants Limited (the 'company') for the period ended 23 December 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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. In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 23 December 2018 and of its profit for the period then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which 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; or - the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cathal Maneely

(Senior Statutory Auditor)

For and on behalf of

Maneely Mc Cann

Chartered Accountants & Statutory Auditors

Aisling House

50 Stranmillis Embankment

Belfast

BT9 5FL

26 June 2019

Kram Restaurants Limited

Statement of Income and Retained Earnings

Period from 25 December 2017 to 23 December 2018

		Period from 25 Dec 17 to 23 Dec 18	Period from 5 Dec 16 to 24 Dec 17
	Note	£	£
Turnover	4	6,567,543	7,539,999
Cost of sales		3,836,421	4,094,862
		-----	-----
Gross profit		2,731,122	3,445,137
Administrative expenses		2,284,009	2,281,500
Other operating income	5	411,169	—
		-----	-----
Operating profit	6	858,282	1,163,637
Interest receivable	9	—	100
Interest payable	10	—	66
		-----	-----
Profit before taxation		858,282	1,163,671
Taxation on ordinary activities	11	226,387	260,416
		-----	-----
Profit for the financial period and total comprehensive income		631,895	903,255
		-----	-----
Retained earnings at the start of the period		4,497,457	3,594,202
		-----	-----
Retained earnings at the end of the period		5,129,352	4,497,457
		-----	-----

All the activities of the company are from continuing operations.

Kram Restaurants Limited
Statement of Financial Position
23 December 2018

		23 Dec 18	24 Dec 17
	Note	£	£
Fixed assets			
Intangible assets	12	125,900	151,864
Tangible assets	13	866,550	1,190,498
		-----	-----
		992,450	1,342,362
Current assets			
Stocks	14	70,038	45,692
Debtors	15	4,783,905	3,661,479
Cash at bank and in hand		257,434	484,855
		-----	-----
		5,111,377	4,192,026
Creditors: amounts falling due within one year	16	911,891	975,129
		-----	-----
Net current assets		4,199,486	3,216,897
		-----	-----
Total assets less current liabilities		5,191,936	4,559,259
Provisions			
Taxation including deferred tax	17	61,584	60,802
		-----	-----
Net assets		5,130,352	4,498,457
		-----	-----
Capital and reserves			
Called up share capital	21	1,000	1,000
Profit and loss account	22	5,129,352	4,497,457
		-----	-----
Shareholders funds		5,130,352	4,498,457
		-----	-----

These financial statements were approved by the board of directors and authorised for issue on 26 June 2019 , and are signed on behalf of the board by:

Mr M A Herbert

Director

Company registration number: 05165526

Kram Restaurants Limited

Notes to the Financial Statements

Period from 25 December 2017 to 23 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is C/O DWF LLP, 1 Scott Place, 2 Hardman Street, Manchester, M3 3AA, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Herbert Corporate Holdings Limited which can be obtained from 605 Lisburn Road, Belfast, Northern Ireland, BT9 7GS. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: No cash flow statement has been presented for the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Operating Leases Rentals 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5% straight line
Franchise Licenses	-	10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	-	over the term of the lease
Fixtures, fittings & equipment	-	15% of the written down value

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

4. Turnover

Turnover arises from:

	Period from 25 Dec 17 to 23 Dec 18	Period from 5 Dec 16 to 24 Dec 17
	£	£
Sale of goods	6,567,543	7,539,999
	-----	-----

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	Period from 25 Dec 17 to 23 Dec 18	Period from 5 Dec 16 to 24 Dec 17
	£	£
Other operating income	411,169	—
	-----	---

6. Operating profit

Operating profit or loss is stated after charging:

	Period from 25 Dec 17 to 23 Dec 18	Period from 5 Dec 16 to 24 Dec 17
	£	£
Amortisation of intangible assets	25,964	25,964
Depreciation of tangible assets	299,374	313,807
Loss on disposal of tangible assets	66,703	—
Operating lease rentals	227,060	219,984
	-----	-----

7. Auditor's remuneration

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Fees payable for the audit of the financial statements	6,000	8,142

8. Particulars of employees

The average number of persons employed by the company during the period, including the directors, amounted to:

	23 Dec 18 No.	24 Dec 17 No.
Distribution staff	114	110
Management staff	25	22
	139	132

The aggregate payroll costs incurred during the period, relating to the above, were:

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Wages and salaries	1,620,195	1,692,629
Social security costs	111,015	115,736
Other pension costs	13,905	7,616
	1,745,115	1,815,981

9. Interest receivable

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Interest on cash and cash equivalents	—	100

10. Interest payable

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Other interest payable and similar charges	—	66

11. Taxation on ordinary activities

Major components of tax expense

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Current tax:		
UK current tax expense	223,493	273,527
Interest on tax	2,112	2,676
Total current tax	225,605	276,203

Deferred tax:

Origination and reversal of timing differences	782	(15,787)
------------------------------------------------	------------	-----------

Taxation on ordinary activities

226,387	260,416
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Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the period is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19 % (2017: 19 %).

	Period from 25 Dec 17 to 23 Dec 18 £	Period from 5 Dec 16 to 24 Dec 17 £
Profit on ordinary activities before taxation	858,282	1,163,671
Profit on ordinary activities by rate of tax	163,074	221,097
Adjustment to tax charge in respect of prior periods	—	285
Effect of capital allowances and depreciation	60,419	48,292
Effect of different UK tax rates on some earnings	—	3,852
Deferred Tax	782	(15,787)
Interest on tax	2,112	2,677
Tax on profit	226,387	260,416

12. Intangible assets

	Goodwill £	Franchise Licences £	Total £
Cost			
At 25 December 2017 and 23 December 2018	340,000	89,644	429,644
Amortisation			
At 25 December 2017	221,000	56,780	277,780
Charge for the period	17,000	8,964	25,964
At 23 December 2018	238,000	65,744	303,744
Carrying amount			
At 23 December 2018	102,000	23,900	125,900
At 24 December 2017	119,000	32,864	151,864

13. Tangible assets

	Leasehold Improvements £	Fixtures and fittings £	Total £
Cost			
At 25 December 2017	1,140,100	2,253,289	3,393,389
Additions	—	42,129	42,129
Disposals	—	(66,703)	(66,703)
At 23 December 2018	1,140,100	2,228,715	3,368,815
Depreciation			
At 25 December 2017	620,793	1,582,098	2,202,891

Charge for the period	50,927	248,447	299,374
	-----	-----	-----
At 23 December 2018	671,720	1,830,545	2,502,265
	-----	-----	-----
Carrying amount			
At 23 December 2018	468,380	398,170	866,550
	-----	-----	-----
At 24 December 2017	519,307	671,191	1,190,498
	-----	-----	-----

14. Stocks

	23 Dec 18	24 Dec 17
	£	£
Finished goods	70,038	45,692

15. Debtors

	23 Dec 18	24 Dec 17
	£	£
Amounts owed by group undertakings	4,451,661	3,576,418
Prepayments and accrued income	87,756	84,708
Other debtors	244,488	353
	4,783,905	3,661,479

The debtors above include the following amounts falling due after more than one year:

	23 Dec 18	24 Dec 17
	£	£
Amounts owed by group undertakings	4,451,661	3,576,418

16. Creditors: amounts falling due within one year

	23 Dec 18	24 Dec 17
	£	£
Trade creditors	129,191	211,790
Accruals and deferred income	267,667	58,412
Corporation tax	221,901	273,110
Social security and other taxes	7,641	270,868
Other creditors	285,491	160,949
	911,891	975,129

17. Provisions

	Deferred tax (note 18) £
At 25 December 2017	60,802
Charge against provision	782
At 23 December 2018	61,584

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	23 Dec 18	24 Dec 17
	£	£
Included in provisions (note 17)	61,584	60,802

The deferred tax account consists of the tax effect of timing differences in respect of:

	23 Dec 18	24 Dec 17
	£	£
Accelerated capital allowances	61,584	60,802

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 13,905 (2017:

£ 7,616).

20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	23 Dec 18	24 Dec 17
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	4,953,583	4,061,626
	-----	-----
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	644,224	916,717
	-----	-----

21. Called up share capital

Issued, called up and fully paid

	23 Dec 18		24 Dec 17	
	No.	£	No.	£
Ordinary shares of £ 1 each	1,000	1,000	1,000	1,000
	-----	-----	-----	-----

22. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

23. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	23 Dec 18	24 Dec 17
	£	£
Not later than 1 year	185,208	161,834
Later than 1 year and not later than 5 years	697,982	647,334
Later than 5 years	1,001,017	1,215,608
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	1,884,207	2,024,776
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24. Contingencies

Bank loans and overdrafts of the group are secured by way of fixed and floating charges on the company's assets, and by a composite debenture between group companies.

25. Related party transactions

Control: The company is a wholly owned subsidiary of Kram Management Limited, a company incorporated in England and Wales. Mrs LE Herbert, director, owns 20% of the share capital of Kram Management Limited, and JRC Holdings Limited, a company incorporated in England and Wales, owns 80% of the share capital of Kram Management Limited. JRC Holdings Limited is a wholly owned subsidiary of Scotco Central Limited, a company incorporated in England and Wales. Scotco Central Limited is a wholly owned subsidiary of Scotco (Eastern) Limited, a company incorporated in Scotland. Scotco (Eastern) Limited is a wholly owned subsidiary of Banner Dell Limited, a company incorporated in England and Wales. Banner Dell Limited is a wholly owned subsidiary of Herbert Corporate Holdings Limited, a company incorporated in Northern Ireland. Mrs L E Herbert is the sole shareholder of Herbert Corporate Holdings Limited and as such is considered to be the company's ultimate controlling party. **Transactions** The company has taken advantage of the exemption from disclosing related party transactions with group companies, in accordance with Financial Reporting Standard No 102 Section 33, Related Party Disclosures.

26. Controlling party

Herbert Corporate Holdings Limited is the company's ultimate parent company. Copies of the consolidated financial statements for Herbert Corporate Holdings Limited may be obtained from Lesley House, 605 Lisburn Road, Belfast, Northern Ireland, BT9 7GS.

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.