

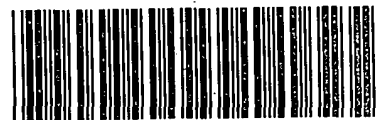
Registered number: 05432837

OAKMAN INNS AND RESTAURANTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 5 APRIL 2015

WEDNESDAY



L4NDBJJ7

LD6

30/12/2015

#69

COMPANIES HOUSE

OAKMAN INNS AND RESTAURANTS LIMITED

COMPANY INFORMATION

Directors	P Borg-Neal D Sidwell M Radley K Wilson M Smith J Evans A Ford (appointed 30 May 2014) L Halliday (resigned 5 July 2014)
Company secretary	Joseph Evans
Registered number	05432837
Registered office	The Akeman 9 Akeman Street Hertfordshire HP23 6AA
Independent auditors	haysmacintyre 26 Red Lion Square London WC1R 4AG

OAKMAN INNS AND RESTAURANTS LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 6
Consolidated Profit and Loss Account	7
Consolidated Balance Sheet	8 - 9
Company Balance Sheet	10
Consolidated Cash Flow Statement	11
Notes to the Financial Statements	12 - 28

OAKMAN INNS AND RESTAURANTS LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 5 APRIL 2015

Introduction

Principal activities

The group continued its principal activities during the current year being that of operating pubs and restaurants, with or without letting rooms.

Business review

Overview

The Directors are delighted to be able to report on an exceptional year for the group.

Significant progress was made in terms of our financial performance during the year as well as taking some key strategic steps along our longer-term growth strategy.

Financial performance:

- Group turnover up by 16.6% at £12.7m
- Like for like sales up 9%
- Average sales per core Oakman site continued to exceed £30k NET per week
- Site EBITDA nearly doubled to £2.2m
- Group EBITDA improved by £656k to a profit of £372k.
- New equity of £2,329k was raised during the financial year.
- The Balance Sheet was restructured, all bank debt repaid and cash released to fund the planned growth during 2015/16.

Total Sales grew strongly, driven by a combination of growth in the core estate combined with the benefit of our new openings. The very positive sales growth has continued since the end of the financial year.

Strategic Delivery

- Two new sites opened during the year and are trading significantly ahead of their combined performance target:
 - The Beech House, St Albans
 - The Akeman Inn, Kingswood
- Since the year end four further sites have opened and also are significantly ahead of target as a group:
 - The Globe, Warwick
 - The White Hart, Ampthill
 - The Navigation Inn, Cosgrove
 - The Kings Head Chipping Ongar
- The Oakman concept is built upon the delivery of a quality approach to business that delivers for our employees, customers and investors. During the year there was significant external recognition of our high levels of achievement in all areas:
 - Oakman won two Publican Awards in 2014 and a further three in 2015.
 - Listed as one of '1,000 Companies to Inspire Britain' by the London Stock Exchange.
 - Sustainable Restaurant Association Two Star Accreditation.
 - Best Companies to Work For Three Star Accreditation.
- The delivery of a quality business requires considerable support and Oakman has always sought to ensure that we have the right people, resources and systems to support the growth of the business. Accordingly, strong central support team has been built up at Oakman Basecamp. This support comes at a considerable cost but these central overheads will be spread over an ever-increasing number of sites over the coming years.
- Oakman has sought to work with partners to further advance our strategic objectives. Increasingly Oakman is able to leverage our high levels of ethical and professional reputation to attract people to work with us:
 - Downoak Ltd a new part of the wider group has been created in partnership with Downing LLP. Downoak Ltd now operates 4 freehold sites.
 - The Globe was acquired as part of a partnership agreement.

OAKMAN INNS AND RESTAURANTS LIMITED

GROUP STRATEGIC REPORT (continued) FOR THE PERIOD ENDED 5 APRIL 2015

- Two of the sites developed in the new financial year have been jointly funded by their respective landlords.
- Oakman are in substantive discussions with other potential business partners.

People

- Oakman Inns were listed at 28th in the UK in the Sunday Times Best Companies to Work for 2015.
- Having recruited two new Executive Directors, Joseph Evans and Alex Ford, in 2014, Oakman has further strengthened its Management Team with the addition of some key Senior Managers including:
 - Gordon Browne – Head of Finance
 - Malcolm Schooling - Property Director
 - Ross Pike – Executive Chef
- We believe that training and educating our teams is and will continue to be a key part of our strategic advantage. The Group has launched Oakmanology, an on-line training platform that will set new industry standards.
- Oakman are very supportive of the Government's announcement on National Living Wage and are committed to attracting more talented people to our industry.

As we continue to grow, getting excellent talent to manage this growth is essential to ensure we have the right people at all levels across the business. We are always looking for great people to join the business and remain in the business.

We have an employee share option scheme to ensure the team have the full incentives to grow and develop the business. We aim to attract the best talent in the industry, to develop this talent as we grow, to raise our food standards as this team grows, and to retain and develop these team members to achieve their potential. Considerable progress has been made in Employee Engagement via improved induction, training and communication.

Future prospects

The board anticipates continued growth in 2015/16 with strong sales in existing sites and the acquisition of new sites.

We aim to deliver further success by:

1. Focusing the business on the growth in the eating-out market
2. Evolving our concept to maintain high levels of customer affinity and relevance
3. Generating high returns on investment through scale advantages
4. Extending the skill base of our people to ensure operational excellence and consumer focus
5. Continuing to build a sound financial base with a cautious approach to debt and a flexible approach to property ownership.

After reviewing the company's forecast, annual budget, liquidity requirements and proposed new financing arrangements, including continued shareholders support, the directors are satisfied that the company will have adequate resources to continue to operate for the foreseeable future and confirm that the company is a going concern. We believe we have the management skills, operational concepts and ambition to grow the business further.

This report was approved by the board on 18 December 2015 and signed on its behalf.


J Evans
Director

OAKMAN INNS AND RESTAURANTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 5 APRIL 2015

The directors present their report and the audited financial statements for the period ended 5 April 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

P Borg-Neal
D Sidwell
M Radley
K Wilson
M Smith
J Evans
A Ford (appointed 30 May 2014)
L Halliday (resigned 5 July 2014)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

OAKMAN INNS AND RESTAURANTS LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 5 APRIL 2015**

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 December 2015 and signed on its behalf.



J Evans
Director

OAKMAN INNS AND RESTAURANTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OAKMAN INNS AND RESTAURANTS LIMITED

We have audited the financial statements of Oakman Inns and Restaurants Limited for the period ended 5 April 2015, set out on pages 7 to 28. 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 Auditors' 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 5 April 2015 and of the group's loss for the period 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 Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

OAKMAN INNS AND RESTAURANTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OAKMAN INNS AND RESTAURANTS LIMITED



Andrew Ball (Senior Statutory Auditor)

for and on behalf of
haysmacintyre

Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

18 December 2015

OAKMAN INNS AND RESTAURANTS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 5 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	12,133,138	10,861,993
Cost of sales		(7,154,871)	(6,764,964)
GROSS PROFIT		4,978,267	4,097,029
Administrative expenses		(5,529,410)	(5,088,842)
Exceptional administrative expenses		(528,465)	(423,442)
Total administrative expenses		(6,057,875)	(5,512,284)
OPERATING LOSS	3	(1,079,608)	(1,415,255)
Interest payable and similar charges	7	(660,074)	(573,696)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,739,682)	(1,988,951)
Tax on loss on ordinary activities	9	(342,112)	(4,886)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(2,081,794)	(1,993,837)
Minority interests		(6,710)	1,798
LOSS FOR THE FINANCIAL PERIOD	20	(2,088,504)	(1,992,039)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

The notes on pages 12 to 28 form part of these financial statements.

OAKMAN INNS AND RESTAURANTS LIMITED
REGISTERED NUMBER: 05432837

CONSOLIDATED BALANCE SHEET
AS AT 5 APRIL 2015

	Note	5 April 2015 £	£	6 April 2014 £	£
FIXED ASSETS					
Intangible assets	10		51,337		174,409
Tangible assets	11		3,717,239		7,535,215
Investment property	12		159,237		2,146,147
Investments	13		400,000		-
			<u>4,327,813</u>		<u>9,855,771</u>
CURRENT ASSETS					
Stocks	14	198,720		292,135	
Debtors	15	2,933,133		1,202,663	
Cash at bank		1,543,604		331,058	
		<u>4,675,457</u>		<u>1,825,856</u>	
CREDITORS: amounts falling due within one year	16	<u>(2,510,903)</u>		<u>(4,297,611)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>2,164,554</u>		<u>(2,471,755)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,492,367</u>		<u>7,384,016</u>
CREDITORS: amounts falling due after more than one year	17		(3,378,111)		(4,205,839)
PROVISIONS FOR LIABILITIES					
Deferred tax	18		<u>(126,578)</u>		<u>-</u>
NET ASSETS			<u><u>2,987,678</u></u>		<u><u>3,178,177</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		705,944		600,258
Share premium account	20		8,921,849		6,698,371
Revaluation reserve	20		-		458,359
Other reserves	20		(38,700)		(38,700)
Profit and loss account	20		<u>(6,601,415)</u>		<u>(4,512,911)</u>
SHAREHOLDERS' FUNDS	21		<u>2,987,678</u>		<u>3,205,377</u>
MINORITY INTERESTS			-		(27,200)
			<u><u>2,987,678</u></u>		<u><u>3,178,177</u></u>

OAKMAN INNS AND RESTAURANTS LIMITED

CONSOLIDATED BALANCE SHEET (continued)
AS AT 5 APRIL 2015

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2015.



J Evans
Director

The notes on pages 12 to 28 form part of these financial statements.

OAKMAN INNS AND RESTAURANTS LIMITED
REGISTERED NUMBER: 05432837

COMPANY BALANCE SHEET
AS AT 5 APRIL 2015

	Note	5 April 2015 £	£	6 April 2014 £	£
FIXED ASSETS					
Intangible assets	10		51,337		174,408
Tangible assets	11		3,717,239		7,381,614
Investments	13		400,001		1
			<u>4,168,577</u>		<u>7,556,023</u>
CURRENT ASSETS					
Stocks	14	198,720		272,560	
Debtors	15	3,096,566		2,025,751	
Cash at bank		1,528,360		316,798	
		<u>4,823,646</u>		<u>2,615,109</u>	
CREDITORS: amounts falling due within one year	16	<u>(2,495,070)</u>		<u>(4,143,802)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>2,328,576</u>		<u>(1,528,693)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,497,153</u>		<u>6,027,330</u>
CREDITORS: amounts falling due after more than one year	17		(3,378,111)		(3,419,005)
PROVISIONS FOR LIABILITIES					
Deferred tax	18		(126,578)		-
NET ASSETS			<u><u>2,992,464</u></u>		<u><u>2,608,325</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		705,944		600,258
Share premium account	20		8,921,849		6,698,371
Other reserves	20		(38,700)		(38,700)
Profit and loss account	20		(6,596,629)		(4,651,604)
SHAREHOLDERS' FUNDS	21		<u><u>2,992,464</u></u>		<u><u>2,608,325</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2015.


J Evans
 Director

The notes on pages 12 to 28 form part of these financial statements.

OAKMAN INNS AND RESTAURANTS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 5 APRIL 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	22	(2,323,913)	(801,265)
Returns on investments and servicing of finance	23	(660,074)	(573,696)
Capital expenditure and financial investment	23	4,298,287	(2,483,955)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		1,314,300	(3,858,916)
Financing	23	(101,754)	3,724,831
INCREASE/(DECREASE) IN CASH IN THE PERIOD		1,212,546	(134,085)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE PERIOD ENDED 5 APRIL 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the period	1,212,546	(134,085)
Cash outflow from decrease in debt and lease financing	2,430,918	(88,070)
MOVEMENT IN NET DEBT IN THE PERIOD	3,643,464	(222,155)
Net debt at 7 April 2014	(5,876,094)	(5,653,939)
NET DEBT AT 5 APRIL 2015	(2,232,630)	(5,876,094)

The notes on pages 12 to 28 form part of these financial statements.

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Oakman Inns and Restaurants Limited and all of its subsidiary undertakings ('subsidiaries').

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Website costs are capitalised as intangible assets and are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of the intangible assets, less their estimated residual value, over their useful lives. Amortisation is provided on website costs at 33% straight line.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	Over the life of the lease
Plant and machinery	-	20% - 30% straight line
Motor vehicles	-	20% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	33% straight line

1.6 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15, the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 6 April 2014 and will not update that valuation.

1.7 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

1. ACCOUNTING POLICIES (continued)**1.8 Investment properties**

Investment properties are included in the Balance Sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

1.9 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

1.13 Hedges

The group entered into an interest rate swap contract to reduce the market interest exposure that arises on loans taken out for the purchase of long term leasehold properties. The income or expense received or paid from the hedging contract is accounted for when it arises. The group is not trading in hedges.

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES (continued)

1.14 Employee benefit trust

The company operates an employee benefit trust ("EBT"). The company has de facto control of the shares held by the trust and bears their benefits and risks. It therefore records certain assets and liabilities of the trust as its own. Finance costs and administrative expenses are charged as they accrue. Payments made by the trust to acquire shares in the company are deducted in arriving at shareholders' funds until the shares vest unconditionally in employees.

2. TURNOVER

The whole of the turnover is attributable to the principal activities of the group.

All turnover arose within the United Kingdom.

3. OPERATING LOSS

The operating loss is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the group	599,809	560,164
Operating lease rentals:		
- other operating leases	535,709	460,098
Amortisation of intangible assets	66,249	49,551
	<u>1,195,767</u>	<u>1,069,813</u>

4. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	22,750	28,500
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	4,500	6,450
All taxation advisory services not included above	-	25,465
Accounting support services	-	14,961
Company secretarial support services	-	21,047
	<u>27,250</u>	<u>89,963</u>

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	4,559,017	4,032,057
Social security costs	358,019	297,565
Other pension costs	69,973	38,510
	<u>4,987,009</u>	<u>4,368,132</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2015 No.	2014 No.
Retail	183	221
Office	40	40
	<u>223</u>	<u>261</u>

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>374,371</u>	<u>239,006</u>
Company pension contributions to defined contribution pension schemes	<u>30,425</u>	<u>32,000</u>

During the period retirement benefits were accruing to 3 directors (2014 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £150,675 (2014 - £152,048).

7. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	59,170	119,831
On other loans	600,904	453,865
	<u>660,074</u>	<u>573,696</u>

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

8. EXCEPTIONAL ADMINISTRATION ITEMS

	2015 £	2014 £
Payments made under compromise agreements	4,320	85,801
Provision for unrecoverable related party debt	-	177,095
Provision for contract penalty clauses	-	25,000
Restructuring fees	86,555	-
Impairment of investment in British Iarder Limited and goodwill	105,490	-
Pre-opening costs	190,371	135,546
Loss on disposal of fixed assets and costs of disposal	141,729	-
	<u>528,465</u>	<u>423,442</u>

9. TAXATION

	2015 £	2014 £
Analysis of tax charge in the period		
Deferred tax (see note 18)		
Origination and reversal of timing differences	342,112	4,886
Tax on loss on ordinary activities	<u>342,112</u>	<u>4,886</u>

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.98% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(1,739,682)</u>	<u>(1,988,951)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.98% (2014 - 23%)	(364,985)	(457,459)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	39,276	89,421
Capital allowances for period in excess of depreciation	(49,700)	77,950
Other timing differences leading to an increase (decrease) in taxation	-	3,715
Capital gains	278,686	-
Unrelieved tax losses carried forward	96,723	286,373
Current tax charge for the period (see note above)	<u>-</u>	<u>-</u>

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

10. INTANGIBLE FIXED ASSETS

Group	Development £	Goodwill £	Total £
Cost			
At 7 April 2014	310,494	-	310,494
Additions	133,109	20,490	153,599
Disposals	(341,332)	-	(341,332)
At 5 April 2015	102,271	20,490	122,761
Amortisation			
At 7 April 2014	136,085	-	136,085
Charge for the period	66,249	-	66,249
On disposals	(151,401)	-	(151,401)
Impairment charge	1	20,490	20,491
At 5 April 2015	50,934	20,490	71,424
Net book value			
At 5 April 2015	51,337	-	51,337
At 6 April 2014	174,409	-	174,409
Company			Development £
Cost			
At 7 April 2014			304,441
Additions			133,109
Disposals			(335,279)
At 5 April 2015			102,271
Amortisation			
At 7 April 2014			130,033
Charge for the period			66,249
On disposals			(145,348)
At 5 April 2015			50,934
Net book value			
At 5 April 2015			51,337
At 6 April 2014			174,408

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

11. TANGIBLE FIXED ASSETS

Group	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost or valuation					
At 7 April 2014	7,737,854	785,624	9,686	1,170,321	3,083
Additions	987,126	508,641	-	203,198	-
Disposals	(5,146,155)	(630,869)	-	(625,805)	(3,083)
Transfer between classes	-	-	-	-	269,681
At 5 April 2015	3,578,825	663,396	9,686	747,714	269,681
Depreciation					
At 7 April 2014	898,670	583,331	6,399	681,276	1,677
Charge for the period	261,097	126,055	334	212,320	328
On disposals	(618,744)	(323,443)	-	(389,811)	(2,005)
Transfer between classes	-	-	-	-	114,579
At 5 April 2015	541,023	385,943	6,733	503,785	114,579
Net book value					
At 5 April 2015	3,037,802	277,453	2,953	243,929	155,102
At 6 April 2014	6,839,184	202,293	3,287	489,045	1,406
Group					Total £
Cost or valuation					
At 7 April 2014					9,706,568
Additions					1,698,965
Disposals					(6,405,912)
Transfer between classes					269,681
At 5 April 2015					5,269,302
Depreciation					
At 7 April 2014					2,171,353
Charge for the period					600,134
On disposals					(1,334,003)
Transfer between classes					114,579
At 5 April 2015					1,552,063
Net book value					
At 5 April 2015					3,717,239
At 6 April 2014					7,535,215

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

Company	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost					
At 7 April 2014	7,622,853	736,831	9,686	1,109,252	-
Additions	987,126	507,476	-	203,198	-
Disposals	(5,031,154)	(580,911)	-	(564,736)	-
Transfer between classes	-	-	-	-	269,681
At 5 April 2015	3,578,825	663,396	9,686	747,714	269,681
Depreciation					
At 7 April 2014	886,879	549,474	6,399	654,256	-
Charge for the period	259,086	123,266	334	208,493	-
On disposals	(604,942)	(286,797)	-	(358,964)	-
Transfer between classes	-	-	-	-	114,579
At 5 April 2015	541,023	385,943	6,733	503,785	114,579
Net book value					
At 5 April 2015	3,037,802	277,453	2,953	243,929	155,102
At 6 April 2014	6,735,974	187,357	3,287	454,996	-
Company					Total £
Cost					
At 7 April 2014					9,478,622
Additions					1,697,800
Disposals					(6,176,801)
Transfer between classes					269,681
At 5 April 2015					5,269,302
Depreciation					
At 7 April 2014					2,097,008
Charge for the period					591,179
On disposals					(1,250,703)
Transfer between classes					114,579
At 5 April 2015					1,552,063
Net book value					
At 5 April 2015					3,717,239
At 6 April 2014					7,381,614

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

12. INVESTMENT PROPERTY

	Freehold investment property £
Group	
Valuation	
At 7 April 2014	2,146,147
Disposals	(1,986,910)
At 5 April 2015	<u>159,237</u>

The 2015 valuations were made by the directors, on an open market value for existing use basis.

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
Group	
Cost or valuation	
At 7 April 2014	-
Additions	400,000
At 5 April 2015	<u>400,000</u>
Net book value	
At 5 April 2015	<u>400,000</u>
At 6 April 2014	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Oakman Property Limited	Ordinary	100%
British Larder Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 5 April 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Oakman Property Limited	838	99,132
British Larder Limited	<u>(23,576)</u>	<u>(47,932)</u>

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

13. FIXED ASSET INVESTMENTS (continued)

Company	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 7 April 2014	1	-	1
Additions	-	400,000	400,000
At 5 April 2015	1	400,000	400,001
Net book value			
At 5 April 2015	1	400,000	400,001
At 6 April 2014	1	-	1

During the year the company paid an entry fee of £400,000 to Urban & Country Leisure (Warwick) LLP in order to provide management services to Urban & Country Leisure (Warwick) LLP which would give rise to management fees from the LLP.

14. STOCKS

	Group		Company	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Finished goods and goods for resale	198,720	292,135	198,720	272,560

15. DEBTORS

	Group		Company	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Due after more than one year				
Other debtors	1,900,000	7,250	1,900,000	-
Deferred tax asset (see note 18)	-	215,534	-	220,420
Due within one year				
Trade debtors	42,265	84,365	41,240	82,976
Amounts owed by group undertakings	-	-	164,737	852,201
Other debtors	635,436	374,454	635,157	349,094
Prepayments and accrued income	355,432	521,060	355,432	521,060
	2,933,133	1,202,663	3,096,566	2,025,751

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

16. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Bank loans and overdrafts	-	258,946	-	212,223
Other loans	398,123	1,742,367	398,123	1,742,367
Trade creditors	1,026,665	1,098,473	1,026,648	1,050,218
Other taxation and social security	414,289	543,342	414,289	522,338
Other creditors	185,454	248,063	185,454	215,019
Accruals and deferred income	486,372	406,420	470,556	401,637
	<u>2,510,903</u>	<u>4,297,611</u>	<u>2,495,070</u>	<u>4,143,802</u>

17. CREDITORS: Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Bank loans	-	896,005	-	109,171
Other loans	3,378,111	3,309,834	3,378,111	3,309,834
	<u>3,378,111</u>	<u>4,205,839</u>	<u>3,378,111</u>	<u>3,419,005</u>

Other loans comprise loan notes issued which attract a fixed rate of interest between 8.0% and 12% per annum and are repayable up to 3 years after the issue date. Of the loan notes in issue, £398,123 are due for repayment within one year and £3,378,111 are due for repayment within three years.

Included within the above are amounts falling due as follows:

	<u>Group</u>		<u>Company</u>	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Between one and two years				
Bank loans	-	48,225	-	-
Other loans	3,326,859	-	3,326,859	-
Between two and five years				
Bank loans	-	847,780	-	109,171
Other loans	51,252	3,309,834	51,252	3,309,834

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

18. DEFERRED TAXATION

	Group		Company	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
At beginning of period	215,534	220,420	220,420	220,420
(Charge for)/released during the period (P&L)	(346,998)	-	(346,998)	-
Other movement (P&L)	4,886	(4,886)	-	-
At end of period	<u>(126,578)</u>	<u>215,534</u>	<u>(126,578)</u>	<u>220,420</u>

The deferred taxation balance is made up as follows:

	Group		Company	
	5 April 2015 £	6 April 2014 £	5 April 2015 £	6 April 2014 £
Accelerated capital allowances	<u>(126,578)</u>	<u>215,534</u>	<u>(126,578)</u>	<u>220,420</u>

19. SHARE CAPITAL

	5 April 2015 £	6 April 2014 £
Allotted, called up and fully paid		
6,140,039 (2014 - 5,246,330) Ordinary shares of £0.10 each	614,004	524,633
918,398 (2014 - 756,250) Ordinary A shares of £0.10 each	91,840	75,625
1,000 Ordinary B shares of £0.10 each	100	-
	<u>705,944</u>	<u>600,258</u>

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

19. SHARE CAPITAL (continued)

During the year the company made the following share issues:

Date	Share Type	Nominal Value £	Number of Shares Issued	Amount Paid per Share £
7 April 2014	Ordinary	0.1	27,777	1.80
7 April 2014	Ordinary	0.1	22,221	1.80
26 April 2014	Ordinary	0.1	13,100	1.80
5 July 2014	Ordinary A	0.1	4,444	2.25
8 July 2014	Ordinary A	0.1	113,817	2.25
8 July 2014	Ordinary A	0.1	113,817	2.25
8 July 2014	Ordinary	0.1	11,000	2.25
14 July 2014	Ordinary	0.1	11,111	2.25
14 July 2014	Ordinary A	0.1	30,555	2.25
18 July 2014	Ordinary	0.1	4,800	2.25
23 July 2014	Ordinary	0.1	16,000	2.25
24 July 2014	Ordinary	0.1	4,500	2.25
2 August 2014	Ordinary	0.1	13,334	2.25
17 September 2014	Ordinary	0.1	11,111	2.25
22 September 2014	Ordinary A	0.1	13,333	2.25
24 September 2014	Ordinary	0.1	364,000	2.25
1 October 2014	Ordinary B	0.1	1,000	7.50
12 October 2014	Ordinary	0.1	8,890	2.25
21 October 2014	Ordinary	0.1	44,444	2.25
5 November 2014	Ordinary	0.1	325,000	2.00
5 November 2014	Ordinary	0.1	325,000	2.00
8 November 2014	Ordinary	0.1	11,111	2.25
8 November 2014	Ordinary	0.1	11,111	2.25
3 December 2014	Ordinary	0.1	8,000	2.50
3 December 2014	Ordinary	0.1	42,050	2.50
19 December 2014	Ordinary	0.1	10,000	2.50
15 February 2015	Ordinary	0.1	4	2.50

20. RESERVES

Group	Share premium account £	Revaluation reserve £	Other reserves £	Profit and loss account £
At 7 April 2014	6,698,371	458,359	(38,700)	(4,512,911)
Loss for the financial period				(2,088,504)
Premium on shares issued during the period	2,223,478			
Disposal		(458,359)		
At 5 April 2015	<u>8,921,849</u>	<u>-</u>	<u>(38,700)</u>	<u>(6,601,415)</u>

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

20. RESERVES (continued)

Company	Share premium account £	Other reserves £	Profit and loss account £
At 7 April 2014	6,698,371	(38,700)	(4,651,604)
Loss for the financial period			(1,945,025)
Premium on shares issued during the period	2,223,478		
At 5 April 2015	<u>8,921,849</u>	<u>(38,700)</u>	<u>(6,596,629)</u>

The group operates an employee benefit trust. There has been no movement on the reserve in the year, the group holds 21,500 (2014: 21,500) ordinary shares for a total value of £38,700.

Shares held by the trust are held with the intention of being transferred to certain employees under the company's share option scheme.

21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	5 April 2015 £	6 April 2014 £
Opening shareholders' funds	3,205,377	1,560,655
Loss for the financial period	(2,088,504)	(1,992,039)
Shares issued during the period	105,686	215,914
Share premium on shares issued (net of expenses)	2,223,478	3,459,547
Other recognised gains and losses during the period	(458,359)	-
Shares acquired by EBT	-	(38,700)
Closing shareholders' funds	<u>2,987,678</u>	<u>3,205,377</u>

Company	5 April 2015 £	6 April 2014 £
Opening shareholders' funds	2,608,325	1,201,089
Loss for the financial period	(1,945,025)	(2,229,525)
Shares issued during the period	105,686	215,914
Share premium on shares issued (net of expenses)	2,223,478	3,459,547
Shares acquired by EBT	-	(38,700)
Closing shareholders' funds	<u>2,992,464</u>	<u>2,608,325</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account.

The loss for the period dealt with in the accounts of the company was £1,945,025 (2014 - £-2,229,525).

OAKMAN INNS AND RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 APRIL 2015**

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating loss	(1,079,608)	(1,415,255)
Amortisation of intangible fixed assets	66,249	49,551
Depreciation of tangible fixed assets	600,134	559,584
Impairments of fixed assets	20,491	-
Loss on disposal of tangible fixed assets	104,926	-
Decrease/(increase) in stocks	93,415	(76,779)
Increase in debtors	(1,946,005)	(163,288)
(Decrease)/increase in creditors	(183,515)	244,922
Net cash outflow from operating activities	(2,323,913)	(801,265)

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	(660,074)	(573,696)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(133,109)	(127,782)
Purchase of tangible fixed assets	(1,698,965)	(2,356,173)
Sale of tangible fixed assets	5,130,361	-
Sale of investment properties	1,400,000	-
Purchase of unlisted and other investments	(400,000)	-
Net cash inflow/(outflow) from capital expenditure	4,298,287	(2,483,955)
Financing		
Issue of ordinary shares	2,329,164	3,675,461
Purchase of ordinary shares	-	(38,700)
Repayment of loans	(1,154,951)	(324,741)
Other new loans	-	3,086,264
Repayment of other loans	(1,275,967)	(2,673,453)
Net cash (outflow)/inflow from financing	(101,754)	3,724,831

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

24. ANALYSIS OF CHANGES IN NET DEBT

	7 April 2014 £	Cash flow £	Other non-cash changes £	5 April 2015 £
Cash at bank and in hand	331,058	1,212,546	-	1,543,604
Debt:				
Debts due within one year	(2,001,313)	2,430,918	(827,728)	(398,123)
Debts falling due after more than one year	(4,205,839)	-	827,728	(3,378,111)
Net debt	(5,876,094)	3,643,464	-	(2,232,630)

25. PENSION COMMITMENTS

The company operates a defined contribution pensions scheme for all employees within the company. Contributions paid into the scheme are paid by the company at rates specified in the rules of the schemes. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions payable by the company during the year amounted to £54,656 (2014: 38,605) and have been recognised in the profit and loss account. As at balance sheet date, £90,375 (£32,000) was owing to the fund.

26. OPERATING LEASE COMMITMENTS

At 5 April 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
Group	5 April 2015 £	6 April 2014 £
Expiry date:		
Within 1 year	-	39,625
Between 2 and 5 years	-	75,000
After more than 5 years	526,000	473,452

At 5 April 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
Company	5 April 2015 £	6 April 2014 £
Expiry date:		
Within 1 year	-	39,625
Between 2 and 5 years	-	75,000
After more than 5 years	526,000	442,200

OAKMAN INNS AND RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 5 APRIL 2015

27. RELATED PARTY TRANSACTIONS

During the period the company had the following transactions with Cook and Fillet Limited, a company in which the director P. Borg-Neal is a director and shareholder. The balance outstanding at 31 March 2015 was £324,621 (2014: £177,096) and is included in other debtors. Of this balance £226,373 is deemed irrecoverable and therefore has been provided against. During the year the company received sales on behalf of the Cook and Fillet Limited of £nil (2014: £221,940). In addition the company made payments for Cook and Fillet Limited of £49,296 (2014: £346,321).

During the period the company advanced a loan to Downoak Limited, a company in which the director P. Borg-Neal is a director. The loan balance outstanding at 31 March 2015 was £253,662 (2014: £nil) and is included in other debtors.

Additionally during the year the company sold assets in relation to 3 sites to Downoak Limited. The assets were sold for £5.1m of which £1.9m is a deferred payment which is included in debtors due after more than one year.

28. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
British Larder Limited	England and Wales	100	Operating a restaurant
Oakman Property Limited	England and Wales	100	Property rental