Company Registration No. 07741283 (England and Wales)

LEVANT RESTAURANTS GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

LEVANT RESTAURANTS GROUP LIMITED

COMPANY INFORMATION

Directors	R Kleiner A Kitous C Hanna
Secretary	AIS Secretarial Services Limited
Company number	07741283
Registered office	Suite 4 Strata House 34a Waterloo Road London NW2 7UH
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Business address	2nd Floor Instone House Instone Road Dartford Kent DA1 2AG

CONTENTS

LEVANT RESTAURANTS GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Fair review of the business
The directors are satisfied with both the level of turnover and the profit of the company and are satisfied that the company will continue to improve its level of performance in 2016.

During the year the company achieved £17.7m in turnover, representing an increase of 16.3% from 2014 (turnover - £15.2m). This year benefited from the full year of trading for Kingston. During the year there were three new openings, Comptoir Broadgate Circle, Comptoir Manchester and Shawa Bluewater

Like for like sales were strong with an 8.6% increase year on year.

The EBITDA for the year was £2.1m (12% of turnover) an improvement of 11% from 2014 (£1,9m).

The Directors believe the group's position in the market place remains strong and is well placed for growth, with new sites in the pipeline for future expansion. The Board look forward to continuing the group's growth in 2016.

Principal risks and uncertainties
The variety of concepts and choice of locations throughout London minimises any risk of dependency on one brand or economic area of the Capital, while growth in the family and casual dining market is reflected in both Shawa and Kenza concepts.

Like any consumer facing business, the general economic climate and pressure on consumer spending could have an adverse impact on the business. However, the London market has continued to trade very strongly throughout the recession, and we are confident that as economic growth returns this will be reflected in an increase in the strength of consumer spending.

Foreign exchange risk
The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than pound sterling (£). The Group maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs. Given that the majority of the Group's transactions remain Sterling denominated, the Group does not consider it necessary to enter into foreign exchange contractsin managing its foreign exchange risk for the time being.

Liquidity risk
The Group manages its exposure to liquidity risk through a naturally low level of debtors, maintaining a diversity of funding sources and the spreading of debt repayments over a range of maturities. The Group prepares regular working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the Group, to manage liquidity risk. The risk posed by liquidity has been considered and we are satisfied there is sufficient funding available in the Group to meet its requirements.

Interest rate risk
The Group does not have formal policies on interest rate risk but monitors interest rates and the risk to the business on a regular basis.

Credit risk

The Group has no significant concentration of credit risk. the nature of the operations results in a large and diverse customer base who generally pay at the point of consumption, with a significant proportion of cash sales. The Group has policies that limit the amount of credit exposure to any financial institution.

Supplier payment policy

The Group's policy is to agree all payment terms with suppliers as and when a trading relationship is established. the Group ensures that the payment terms are clear and its policy is to abide by the agreed terms where possible provided the supplier meet their obligations. on average trade creditors at the end of the year represented 62 (2014: 55) days purchased. Our creditor days have increased compared to the prior year due to the increase of capex towards the end of the financial year for new sites Shawa Bluewater and Comptoir Manchester.

Employees

The successful delivery of the service to the Group's customers depends on recruiting, training, managing and retaining people of the highest quality. The Group is committed to the welfare of its staff and all employees are given opportunities and are encouraged to develop with the Group.

The Group is committed to the involvement of employees in the business. Staff are kept informed of the performance and objectives of the Group through newsletters, staff meetings and regular structured feedback sessions.

The Group is an equal opportunities employer. Its policy is to ensure that all employees are treated with the same respect and consideration regardless of sex, age, colour, disability, sexual orientation, nationality or ethic or national origins.

Management facilities the employment of disabled persons whenever a suitable vacancy arises. Continued employment and re-training of employees who become disabled whilst employed within the Group is ensured. The Group provides career development, training and promotion of disabled employees with a view to encouraging them to play an active role in the development of the Group.

On behalf of the board

C Hanna
Director
7 June 2016

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities
The principal activity of the company and group continues to be that of the casual dining sector of restaurants with Lebanese / Middle Eastern offering.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R Kleiner
A Kitous
C Hanna

Results and dividends
The results for the year are set out on page 7.

During the year, the Group paid the total dividend of £317,250 to Ahmed Kitous and £352,425 to Chaker Hanna, the decision was made after taking into consideration the good results and improvement in all areas of the business.

Auditors
The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, 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 judgements 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 and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

C Hanna
Director
7 June 2016

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LEVANT RESTAURANTS GROUP LIMITED

We have audited the financial statements of Levant Restaurants Group Limited for the year ended 31 December 2015 set out on pages 7 to 34. 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), including Financial Reporting Standard 102.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, 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
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF LEVANT RESTAURANTS GROUP LIMITED

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Marc Waterman (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young 7 June 2016

Chartered Accountants
Statutory Auditor

LEVANT RESTAURANTS GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 as restated £
Turnover	3	17,727,212	15,178,803
Cost of sales		(4,755,920)	(4,272,763)
Gross profit		12,971,292	10,906,040
Distribution costs		(4,459,684)	(4,041,790)
Administrative expenses		(7,177,009)	(5,547,802)
Other operating income		50,000	-
Operating profit	4	1,384,599	1,316,448
Interest payable and similar charges	7	(68,242)	(65,878)
Profit before taxation		1,316,357	1,250,570
Taxation	8	(317,706)	(182,238)
Profit for the financial year		998,651	1,068,332

The profit and loss account has been prepared on the basis that all operations are continuing operations.

LEVANT RESTAURANTS GROUP LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	2015 £	2014 as restated £	2014 as restated £
Fixed assets					
Tangible assets	10		6,225,681		3,909,656
Current assets					
Stocks	12	304,199		173,378	
Debtors	13	1,719,713		1,180,437	
Cash at bank and in hand		667,247		1,764,060	
		2,691,159		3,117,875	
Creditors: falling due within one year	14	(4,296,447)		(3,094,209)	
Net current (liabilities)/assets			(1,605,288)		23,666
Total assets less current liabilities			4,620,393		3,933,322
Creditors: amounts falling due after more than one year	15		(1,236,258)		(929,342)
Provisions for liabilities	18		(199,217)		(148,038)
Net assets			3,184,918		2,855,942
Capital and reserves					
Called up share capital	21		100		100
Profit and loss reserves			3,184,818		2,855,842
Equity attributable to owners of the parent company			3,184,918		2,855,942

The financial statements were approved by the board of directors and authorised for issue on 7 June 2016 and are signed on its behalf by:

C Hanna
Director

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2015

	Notes	2015 £	2015 £	2014 as restated £	2014 as restated £
Fixed assets					
Tangible assets	**10**		34,299		40,859
Investments			1,380		1,280
			35,679		42,139
Current assets					
Debtors	**13**	2,162,059		431,013	
Cash at bank and in hand		23,605		33,265	
		2,185,664		464,278	
Creditors: falling due within one year	**14**	(1,406,738)		(505,576)	
Net current assets/(liabilities)			778,926		(41,298)
Total assets less current liabilities			814,605		841
Capital and reserves					
Called up share capital	**21**		100		100
Profit and loss reserves			814,505		741
Total equity			814,605		841

The financial statements were approved by the board of directors and authorised for issue on 7 June 2016 and are signed on its behalf by:

C Hanna
Director

Company Registration No. 07741283

LEVANT RESTAURANTS GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2014:				
Balance at 1 January 2014		100	2,379,496	2,379,596
Period ended 31 December 2014:				
Profit and total comprehensive income for the year		-	1,068,332	1,068,332
Dividends	9	-	(591,986)	(591,986)
Balance at 31 December 2014		100	2,855,842	2,855,942
Period ended 31 December 2015:				
Profit and total comprehensive income for the year		-	998,651	998,651
Dividends	9	-	(669,675)	(669,675)
Balance at 31 December 2015		100	3,184,818	3,184,918

LEVANT RESTAURANTS GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2014:				
Balance at 1 January 2014		100	(1,031)	(931)
Period ended 31 December 2014:				
Profit and total comprehensive income for the year		-	593,758	593,758
Dividends	9	-	(591,986)	(591,986)
Balance at 31 December 2014		100	741	841
Period ended 31 December 2015:				
Profit and total comprehensive income for the year		-	1,483,439	1,483,439
Dividends	9	-	(669,675)	(669,675)
Balance at 31 December 2015		100	814,505	814,605

LEVANT RESTAURANTS GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Cash flows from operating activities					
Cash generated from operations	**26**		1,935,265		2,525,956
Interest paid			(68,242)		(65,878)
Income taxes paid			(218,547)		(168,940)
Net cash inflow from operating activities			1,648,476		2,291,138
Investing activities					
Purchase of tangible fixed assets		(3,012,283)		(1,068,800)	
Proceeds on disposal of subsidiaries		-		(700)	
Net cash used in investing activities			(3,012,283)		(1,069,500)
Financing activities					
Proceeds from issue of shares		(100)		-	
Repayment of borrowings		437,016		15,574	
Repayment of bank loans		581,109		115,644	
Payment of finance leases obligations		(93,772)		108,983	
Dividends paid to equity shareholders		(669,675)		(591,986)	
Net cash generated from/(used in) financing activities			254,578		(351,785)
Net (decrease)/increase in cash and cash equivalents			(1,109,229)		869,853
Cash and cash equivalents at beginning of year			1,764,060		894,207
Cash and cash equivalents at end of year			654,831		1,764,060
Relating to:					
Cash at bank and in hand			667,247		1,764,060
Bank overdrafts included in creditors payable within one year			(12,416)		-

1 Accounting policies

Company information

Levant Restaurants Group Limited ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is Suite 4, Strata House, 34a Waterloo Road, London, NW2 7UH.

The Group consists of Levant Restaurants Group Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Levant Restaurants Group Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 27.

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £1,483,439 (2014 - £593,758 profit).

1 Accounting policies (Continued)

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Levant Restaurants Group Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2015.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for food, beverage and service fees net of VAT provided to customers.

Revenue from the sale of goods is recognised when the amounts are earned and can be reasonably be estimated. these revenues are recorded net of value added tax collected from customers and are recognised as the related services are delivered.

1 Accounting policies (Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Over the life of the lease (max. 10 years)
Plant and machinery	15% on reducing balance
Fixtures, fittings & equipment	10% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities
Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments
Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

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

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

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

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

1 Accounting policies **(Continued)**

1.12 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision in measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1 Accounting policies **(Continued)**

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2015	2014
	£	£
Turnover		
Restaurant sales	17,727,212	15,178,803

Turnover analysed by geographical market

	2015	2014
	£	£
United Kingdom	17,727,212	15,178,803

4 Operating loss

	2015	2014
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	159	16
Depreciation of owned tangible fixed assets	657,990	497,862
Depreciation of tangible fixed assets held under finance leases	38,268	44,549
Cost of stocks recognised as an expense	4,754,673	4,268,712
Operating lease charges	1,839,372	1,579,683

5 Auditors' remuneration

	2015	2014
Fees payable to the company's auditor and its associates:	£	£
For audit services		
Audit of the financial statements of the group and company	-	-
Audit of the company's subsidiaries	38,500	32,267

6 Employees

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

	2015	2014
	Number	Number
Kitchen and Floor	440	303
Management	70	59
	510	362

Their aggregate remuneration comprised:

	2015	2014
	£	£
Wages and salaries	5,397,157	4,741,610
Social security costs	352,309	286,611
Pension costs	28,051	10,133
	5,777,517	5,038,354

8 Taxation (Continued)

The charge for the year can be reconciled to the loss per the profit and loss account as follows:

	2015 £	2014 £
Profit before taxation	1,316,357	1,250,570
Expected tax charge based on the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%)	266,562	268,873
Tax effect of expenses that are not deductible in determining taxable profit	17,335	33,557
Tax effect of utilisation of tax losses not previously recognised	-	(98,711)
Adjustments in respect of prior years	-	(3,425)
Effect of change in corporation tax rate	(52)	-
Permanent capital allowances in excess of depreciation	-	(40,662)
Depreciation on assets not qualifying for tax allowances	48,677	-
Deferred tax adjustments in respect of prior years	(14,852)	23,004
Dividend income	36	(215)
Other tax adjustment	-	(183)
Tax expense for the year	317,706	182,238

9 Dividends

	2015 £	2014 £
Final paid	506,250	591,986
Interim paid	163,425	-
	669,675	591,986

7 Interest payable and similar charges

	2015	2014
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	16,848	7,602
Interest on finance leases and hire purchase contracts	8,937	20,067
Other interest	42,457	38,209
	68,242	65,878

8 Taxation

	2015	2014
	£	£
Current tax		
UK corporation tax on profits for the current period	273,666	187,647
Adjustments in respect of prior periods	-	(3,425)
Total current tax	273,666	184,222
Deferred tax		
Origination and reversal of timing differences	44,629	162,749
Tax losses carried forward	(589)	(164,733)
Total deferred tax	44,040	(1,984)
Total tax charge	317,706	182,238

10 Tangible fixed assets

Group	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2015	4,009,851	1,419,937	1,238,456	6,668,244
Additions	1,646,617	998,736	366,930	3,012,283
At 31 December 2015	5,656,468	2,418,673	1,605,386	9,680,527
Depreciation and impairment				
At 1 January 2015	1,613,606	728,045	416,937	2,758,588
Depreciation charged in the year	410,246	183,377	102,635	696,258
At 31 December 2015	2,023,852	911,422	519,572	3,454,846
Carrying amount				
At 31 December 2015	3,632,616	1,507,251	1,085,814	6,225,681
At 31 December 2014	2,396,245	691,894	821,517	3,909,656

Company	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2015 and 31 December 2015	11,290	26,655	5,555	43,500
Depreciation and impairment				
At 1 January 2015	868	1,480	293	2,641
Depreciation charged in the year	2,258	3,776	526	6,560
At 31 December 2015	3,126	5,256	819	9,201
Carrying amount				
At 31 December 2015	8,164	21,399	4,736	34,299
At 31 December 2014	10,422	25,175	5,262	40,859

10 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £0 (2014 - £44549) for the year.

	Group 2015	2014	Company 2015	2014
	£	£	£	£
Plant and machinery	144,266	168,537	-	-
Fixtures, fittings & equipment	125,964	139,960	-	-
	270,230	308,497	-	-

11 Financial instruments

	Group 2015	2014	Company 2015	2014
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	798,851	510,100	2,147,363	326,639
Equity instruments measured at cost less impairment	-	-	1,380	1,280
Carrying amount of financial liabilities				
Measured at amortised cost	4,433,592	3,160,482	1,406,738	505,576

12 Stocks

	Group 2015	2014	Company 2015	2014
	£	£	£	£
Finished goods and goods for resale	304,199	173,378	-	-

13 Debtors

	Group 2015	2014	Company 2015	2014
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	323,235	219,259	12,804	16,839
Unpaid share capital	790	690	90	90
Corporation tax recoverable	33,506	31,214	-	-
Amounts due from fellow group undertakings	-	139	2,134,469	309,710
Other debtors	676,990	294,386	14,696	4,374
Prepayments and accrued income	602,619	552,176	-	100,000
	1,637,140	1,097,864	2,162,059	431,013
Deferred tax asset (note 19)	82,573	82,573	-	-
	1,719,713	1,180,437	2,162,059	431,013

14 Creditors: falling due within one year

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Loans and overdrafts	16	1,079,039	437,820	506,250	-
Obligations under finance leases	17	83,504	94,870	-	-
Corporation tax payable		273,341	215,930	-	-
Other taxation and social security		825,772	647,139	-	-
Trade creditors		828,569	456,965	15,231	14,957
Amounts due to fellow group undertakings		-	-	883,787	473,426
Other creditors		636,521	873,589	1,470	1,370
Accruals and deferred income		569,701	367,896	-	15,823
		4,296,447	3,094,209	1,406,738	505,576

15 Creditors: amounts falling due after more than one year

		Group		Company	
		2015	2014	2015	2014
	Notes	£	£	£	£
Loans and overdrafts	16	1,209,233	819,911	-	-
Obligations under finance leases	17	27,025	109,431	-	-
		1,236,258	929,342	-	-

16 Loans and overdrafts

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	1,703,256	1,122,147	-	-
Bank overdrafts	12,416	-	-	-
Directors' loans	572,600	85,584	506,250	-
Other loans	-	50,000	-	-
	2,288,272	1,257,731	506,250	-
Payable within one year	1,079,039	437,820	506,250	-
Payable after one year	1,209,233	819,911	-	-

The long-term loans are secured by fixed charges over the assets of the group and is also guaranteed by the director, A Kitous.

The loans held in the subsidiaries typically have the interest rate of 3.25% p.a. over base rate.

17 Finance lease obligations

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	83,504	94,870	-	-
In two to five years	27,025	109,431	-	-
	110,529	204,301	-	-

17 Finance lease obligations (Continued)

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Provisions for liabilities

		Group		Company	
		2015	2014	2015	2014
		£	£	£	£
Provision for leasehold property dilapidation		27,388	20,249	-	-
Deferred tax liabilities	19	171,829	127,789	-	-

Movements on provisions:

Group	£
At 1 January 2015	20,249
Additional provisions in the year	7,139
At 31 December 2015	27,388

19 Deferred taxation

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

	Liabilities 2015	Liabilities 2014	Assets 2015	Assets 2014
Group	£	£	£	£
Accelerated capital allowances	171,829	127,789	(82,160)	(82,160)
Tax losses	-	-	164,733	164,733
	171,829	127,789	82,573	82,573

The company has no deferred tax assets or liabilities.

19 Deferred taxation (Continued)

Movements in the year:	Group 2015 £	Company 2015 £
Liability at 1 January 2015	45,216	-
Charge to profit or loss	44,040	-
Liability at 31 December 2015	89,256	-

The deferred tax assets set out above are expected to be realised within 12 months. The deferred tax liability set out above is related to accelerated capital allowances and will reverse over the period over which the fixed assets to which it relates are depreciated.

20 Retirement benefit schemes

Defined contribution schemes	2015 £	2014 £
Charge to profit and loss in respect of defined contribution schemes	28,051	10,133

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

	Group and company	
	2015	2014
Ordinary share capital	£	£
Issued and fully paid		
5,000 Ordinary A shares of 1p each	50	50
5,000 Ordinary B shares of 1p each	50	50
	100	100

22 Operating lease commitments

Lessee
The Group has entered into a number of property leases on standard commercial terms as lessee. There are no restrictions imposed by the Group's operating lease arrangements, either in the current or prior year.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Within one year	1,209,422	1,080,212	-	-
Between two and five years	3,724,313	3,242,320	-	-
In over five years	3,611,945	3,264,820	-	-
	8,545,680	7,587,352	-	-

23 Directors' transactions

Levant Restaurants Group Limited paid a dividend of £352,425 (2014 - £429,337) to C Hanna who is a director and shareholder of Levant Restaurants Group Limited.

Levant Restaurants Group Limited paid a dividend of £317,250 (2014 - £162,649) to A Kitous who is a director and shareholder of Levant Restaurants Group Limited.

Included within loans and overdrafts is £340,850 (2014 - £85,584) which is owed to the director, A Kitous and £231,750 which is owed to the director, C Hanna.

24 Controlling party

The ultimate controlling party is A Kitouis, one of the group's directors.

25 Subsidiaries

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct	Indirect
Timerest Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Chabane Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Shawa Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Stratford Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir South Ken Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Soho Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Group Limited	England & Wales	Intermediate holding company	Ordinary	100.00	-
Comptoir Wigmore Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Bluewater Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Westfield London Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Central Production Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Franchise Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
TKCH Limited	England & Wales	Dormant	Ordinary	100.00	-
Comptoir Kingston Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Chelsea Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Bath Limited	England & Wales	Dormant	Ordinary	100.00	-
Comptoir Exeter Limited	England & Wales	Dormant	Ordinary	100.00	-
Comptoir Broadgate Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Comptoir Manchester Limited	England & Wales	Restaurateurs	Ordinary	100.00	-
Shawa Bluewater Limited	England & Wales	Restaurateurs	Ordinary	100.00	-

25 Subsidiaries **(Continued)**

Comptoir Bath Limited changed its name from Comptoir Wardour Street Limited on 20 February 2016. Comptoir Exeter Limited changed its name from Comptoir Strand Limited on 20 February 2016.

Comptoir Manchester Limited was incorporated under the group on 21 January 2015. Shawa Bluewater Limited was incorporated under the group on 27 August 2015.

26 Cash generated from operations

	2015	2014
	£	£
Profit for the year after tax	998,651	1,068,332
Adjustments for:		
Taxation charged	317,706	182,238
Finance costs	68,242	65,878
Depreciation and impairment of tangible fixed assets	696,258	542,411
Increase in provisions	7,139	5,637
Movements in working capital:		
(Increase) in stocks	(130,821)	(37,187)
(Increase) in debtors	(536,884)	(174,947)
Increase in creditors	514,974	873,494
Cash generated from operations	1,935,265	2,525,856

27 Reconciliations on adoption of FRS 102

Reconciliation of equity - group

	Notes	1 January 2014	31 December 2014
		£	£
Equity as reported under previous UK GAAP		2,394,208	2,882,895
Adjustments to prior year (note 28)		-	24,988
As restated		2,394,208	2,907,883
Adjustments arising from transition to FRS 102:			
Provision for dilapidation	(i)	(14,612)	(20,250)
Restaurant pre-opening expenses	(ii)	-	(31,691)
Equity reported under FRS 102		2,379,596	2,855,942

27 Reconciliations on adoption of FRS 102 **(Continued)**

Reconciliation of profit or loss - group

	Notes	2014 £
or as reported under previous UK GAAP		1,080,673
Adjustments to prior year (note 28)		24,988
As restated		1,105,661
Adjustments arising from transition to FRS 102:		
Provision for dilapidation	(i)	(5,638)
Restaurant pre-opening expenses	(ii)	(31,691)
or reported under FRS 102		1,068,332

Notes to reconciliations on adoption of FRS 102 - group

(i) Provision for dilapidation
Provision has been made in respect of leasehold property dilapidation.

(ii) Restaurant pre-opening expenses
The company has capitalised the cost associated with opening a new restaurant including property rentals and other related overhead expenses. As such cost does not qualify for recognition as an asset under FRS 102 this asset is derecognised against retained earnings.

28 Prior period adjustment

Changes to the balance sheet - group

Balances as restated before FRS 102 transition adjustments:	At 31 December 2014 As previously reported	Adjustment at 1 Jan 2014	Adjustment at 31 Dec 2014	As restated
	£	£	£	£
Current assets				
Deferred tax asset	(82,573)	-	82,573	-
Provisions for liabilities				
Deferred tax	(70,204)	-	(57,585)	(127,789)
Net assets	2,882,895	-	24,988	2,907,883
Capital and reserves				
Profit and loss	2,882,794	-	24,988	2,907,783

Changes to the profit and loss account - group

Balances as restated before FRS 102 transition adjustments:	Period ended 31 December 2014 As previously reported	Adjustment	As restated
	£	£	£
Taxation	(207,226)	24,988	(182,238)
Profit for the financial period	1,080,673	24,988	1,105,661