

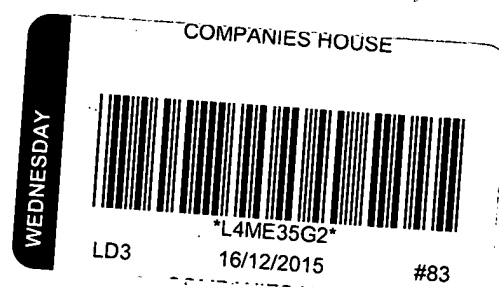
Company Registration No. 08895755 (England and Wales)

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

ANNUAL REPORT

FOR THE PERIOD ENDED 28 DECEMBER 2014

RICHES
& COMPANY
CHARTERED
ACCOUNTANTS



FULL HOUSE RESTAURANTS HOLDINGS LIMITED

DIRECTORS AND ADVISERS

Directors	J. E. Shedden	(Appointed 14 February 2014)
	B. J. Shedden	(Appointed 14 February 2014)
	S. G. Hemsley	(Appointed 14 February 2014)
Secretary	C. J. Shedden	
Company number	08895755	
Registered office	34 Anyards Road Cobham Surrey KT11 2LA	
Registered auditors	Riches and Company 34 Anyards Road Cobham Surrey KT11 2LA	

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

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FULL HOUSE RESTAURANTS HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 28 DECEMBER 2014

The directors present the strategic report and financial statements for the period ended 28 December 2014.

Review of the business

During the year ended 28 December 2014 the entire issued share capital of Full House Restaurants Limited and House Special Limited, incorporating subsidiary The Woodpecker Inn Limited, were acquired by this company Full House Restaurants Holdings Limited. These were all companies previously under common control. Several new subsidiaries were also added to the group during the year ended 28 December 2014, adding 7 stores.

Owing to favourable market conditions and the new acquisitions, group turnover has increased from £19.5m in 2013 to £24.4m in 2014 leading to increased gross profit; £7.4m in 2014 to £5.8m in 2013 and increased operating profit; £0.7m in 2013 to £1.4m in 2014.

The Board has a policy of continuous identification and review of key business risks and uncertainties. It oversees the development of processes to ensure that those risks are managed appropriately and operational management is delegated with the task of implementing these processes and reporting to the Board on their outcome.

The principal risk facing the business is competition in the takeaway market. The company has a strong standing in this respect and the Directors remain vigilant to ensure that the company continues to work diligently in maintaining the standards of quality and service.

On behalf of the board



J. E. Shedden

Director

15 December 2015

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 28 DECEMBER 2014

The directors present their report and financial statements for the period ended 28 December 2014.

Results and dividends

The consolidated profit and loss account for the period is set out on page 6.

An interim ordinary dividend was paid amounting to £110,000. The directors do not recommend payment of a final dividend.

Future developments

The overall business outlook remains positive; the directors are experienced in the takeaway business and are well aware of the challenges that require consistently applied, high quality procedures to minimise risks. The group continues to invest in its operations and maintains high standards in product quality and staff training.

Directors

The following directors have held office since 30 December 2013:

J. E. Shedden	(Appointed 14 February 2014)
B. J. Shedden	(Appointed 14 February 2014)
S. G. Hemsley	(Appointed 14 February 2014)

Political donations

During the period the group made the following payments:

	2014 £	2013 £
Political donations to EU parties and organisations	4,000	-

The recipients and amounts of the political donations are as follows:
The Conservative Party £4,000

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Disabled persons

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Auditors

Riches and Company were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 28 DECEMBER 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial 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 of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

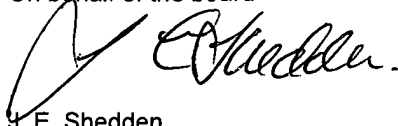
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

On behalf of the board



J. E. Shedden

Director

15 December 2015

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FULL HOUSE RESTAURANTS HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Full House Restaurants Holdings Limited for the period ended 28 December 2014 set out on pages 6 to 26. 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 set out on pages 2 - 3, 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 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 parent company's affairs as at 28 December 2014 and of the group's profit 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 Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF FULL HOUSE RESTAURANTS HOLDINGS 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.



Nicholas Caso (Senior Statutory Auditor)
for and on behalf of Riches and Company

Chartered Accountants
Statutory Auditor

15 December 2015

34 Anyards Road
Cobham
Surrey
KT11 2LA

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 28 DECEMBER 2014

		Period ended 28 December 2014 £	29 December 2013 £
	Notes		
Turnover	2	24,439,328	19,511,261
Cost of sales		(16,938,905)	(13,701,752)
Gross profit		7,500,423	5,809,509
Administrative expenses		(6,364,055)	(5,178,205)
Other operating income		16,088	14,935
Operating profit	3	1,152,456	646,239
Investment income	4	(300)	-
Other interest receivable and similar income		103	-
Interest payable and similar charges	5	(121,346)	(118,891)
Profit on ordinary activities before taxation		1,030,913	527,348
Tax on profit on ordinary activities	6	(332,677)	(214,438)
Profit on ordinary activities after taxation		698,236	312,910

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

There are no recognised gains and losses other than those passing through the profit and loss account.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

BALANCE SHEETS

AS AT 28 DECEMBER 2014

		Group		Company	
	Notes	2014	2013	2014	2013
		£	£	£	£
Fixed assets					
Intangible assets	8	8,283,849	3,774,541	-	-
Tangible assets	9	3,198,758	2,754,790	-	-
Investments	10	-	-	4,783,893	-
		<u>11,482,607</u>	<u>6,529,331</u>	<u>4,783,893</u>	<u>-</u>
Current assets					
Stocks	12	116,904	93,019	-	-
Debtors	13	343,854	1,101,791	688,878	1,000
Deferred tax asset	13	-	-	3,161	-
Cash at bank and in hand		1,221,567	646,152	114,776	-
		<u>1,682,325</u>	<u>1,840,962</u>	<u>806,815</u>	<u>1,000</u>
Creditors: amounts falling due within one year	14	(4,565,144)	(3,784,819)	(1,476,111)	-
Net current liabilities		<u>(2,882,819)</u>	<u>(1,943,857)</u>	<u>(669,296)</u>	<u>1,000</u>
Total assets less current liabilities		<u>8,599,788</u>	<u>4,585,474</u>	<u>4,114,597</u>	<u>1,000</u>
Creditors: amounts falling due after more than one year	15	(6,082,562)	(2,734,382)	(4,126,243)	-
Deferred tax liability		(285,322)	(207,425)	-	-
		<u>2,231,904</u>	<u>1,643,667</u>	<u>(11,646)</u>	<u>1,000</u>
Capital and reserves					
Called up share capital	18	1,000	1,000	1,000	1,000
Other reserves	19	206,590	206,590	-	-
Profit and loss account	19	2,024,314	1,436,077	(12,646)	-
Shareholders' funds	20	<u>2,231,904</u>	<u>1,643,667</u>	<u>(11,646)</u>	<u>1,000</u>

Approved by the Board and authorised for issue on 15 December 2015


J. E. Shedden
Director

Company Registration No. 08895755

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 28 DECEMBER 2014

	Period ended 28 December 2014	29 December 2013
	£	£
Net cash inflow from operating activities	3,455,893	1,282,787
Returns on investments and servicing of finance		
Interest received	103	-
Interest paid	(119,989)	(118,192)
Net cash outflow for returns on investments and servicing of finance	(119,886)	(118,192)
Taxation	(22,598)	(175,416)
Capital expenditure and financial investment		
Payments to acquire intangible assets	(341,979)	(150,000)
Payments to acquire tangible assets	(624,932)	(784,587)
Payments to acquire investments	(300)	-
Receipts from sales of tangible assets	2,000	-
Net cash (outflow)/inflow for capital expenditure	(965,211)	(934,587)
Acquisitions and disposals		
Purchase of subsidiary undertakings (net of cash acquired)	(5,369,514)	-
Cash acquired	270,098	-
Net cash outflow for acquisitions and disposals	(5,099,416)	-
Equity dividends paid	(110,000)	(150,000)
Net cash (outflow)/inflow before management of liquid resources and financing	(2,861,218)	(95,408)
Financing		
New long term bank loan	4,126,243	217,230
Other new long term loans	-	43,868
Other new short term loans	736,183	724,423
Repayment of long term bank loan	(337,361)	(292,169)
Repayment of other long term loans	(403,530)	(370,000)
Repayment of other short term loans	(724,423)	(650,431)
Capital element of hire purchase contracts	39,521	77,795
Net cash inflow/(outflow) from financing	3,436,633	(249,284)
Increase in cash in the period	575,415	855,294

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 28 DECEMBER 2014

CASH FLOW OUT OF BALANCE BY:	-	1,199,986
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FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 28 DECEMBER 2014

1	Reconciliation of operating profit to net cash inflow from operating activities	2014	2013
		£	£
	Operating profit	1,152,456	646,239
	Depreciation of tangible assets	480,431	395,785
	Amortisation of intangible assets	530,683	267,047
	Loss on disposal of tangible assets	1,156	-
	(Increase)/decrease in stocks	(23,885)	5,312
	Decrease in debtors	757,937	496,378
	Increase/(decrease) in creditors within one year	557,115	(527,974)
	Net cash inflow from operating activities	3,455,893	1,282,787

2	Analysis of net debt	30 December 2013	Cash flow	Other non-cash changes	28 December 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	646,152	575,415	-	1,221,567
	Finance leases	(105,067)	59,260	-	(45,807)
	Debts falling due within one year	(724,423)	(11,760)	-	(736,183)
	Debts falling due after one year	(2,688,575)	(3,385,351)	-	(6,073,926)
		(3,518,065)	(3,337,851)	-	(6,855,916)
	Net debt	(2,871,913)	(2,762,436)	-	(5,634,349)

3	Reconciliation of net cash flow to movement in net debt	2014	2013
		£	£
	Increase/(decrease) in cash in the period	575,415	(344,692)
	Cash (inflow)/outflow from (increase)/decrease in debt	(3,337,851)	249,286
	Movement in net debt in the period	(2,762,436)	(95,406)
	Opening net debt	(2,871,913)	(2,776,507)
	Closing net debt	(5,634,349)	(2,871,913)

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 28 December 2014. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Goodwill represents the difference between the amount payable (including acquisition costs) on acquisition of subsidiary undertakings and the fair value of separable net assets. Goodwill also arises at the time of additional store acquisition when the price paid for the store exceeds the fair value of the net identifiable assets as specified in the terms of the purchase agreement. All goodwill is amortised through the profit and loss account over the directors' estimate of its economic life of 20 years.

1.6 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Nil
Land and buildings Leasehold	Straight line over the life of the lease
Plant and machinery	10% per annum on cost - 15%/20% reducing balance
Computer equipment	10% per annum on cost - 3/5 years straight line
Motor vehicles	10% per annum on cost

1.8 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.9 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 DECEMBER 2014

1 Accounting policies (Continued)

1.10 Stock

Stock is valued at the lower of cost and net realisable value.

1.11 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1.12 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.13 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the group for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2014 £	2013 £
Operating profit is stated after charging:		
Amortisation of intangible assets	530,683	267,047
Depreciation of tangible assets	480,431	395,785
Loss on disposal of tangible assets	1,156	-
Operating lease rentals		
- Plant and machinery	131,068	71,614
- Other assets	617,980	547,967
	<u> </u>	<u> </u>

Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £0; 2013: £0)	38,000	34,900
Tax compliance	9,835	18,700
Accountancy services	7,600	4,068
Other professional services	23,125	-
	<u> </u>	<u> </u>
	78,560	57,668
	<u> </u>	<u> </u>

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 DECEMBER 2014

4	Investment income	2014	2013
		£	£
	Income from fixed asset investments	(300)	-
		<u> </u>	<u> </u>
5	Interest payable	2014	2013
		£	£
	On bank loans and overdrafts	77,460	61,296
	On other loans wholly repayable within five years	42,475	55,666
	Hire purchase interest	54	1,230
	On overdue tax	1,357	699
		<u> </u>	<u> </u>
		<u>121,346</u>	<u>118,891</u>

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

6	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	287,168	159,285
	Adjustment for prior years	278	115,057
	Total current tax	<u>287,446</u>	<u>274,342</u>
	Deferred tax		
	Origination and reversal of timing differences	45,231	(59,904)
		<u>45,231</u>	<u>(59,904)</u>
		<u>332,677</u>	<u>214,438</u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	<u>1,030,913</u>	<u>527,348</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21% (2013 - 23%)	<u>216,492</u>	<u>121,290</u>
	Effects of:		
	Non deductible expenses	12,240	14,356
	Depreciation add back	204,283	141,133
	Capital allowances	(152,855)	(118,911)
	Tax losses carried forward	3,273	44,852
	Change in tax rate during the period	5,533	196
	Adjustments to previous periods	278	115,057
	Other tax adjustments	(1,798)	(11,262)
	Tax losses utilised	-	(32,369)
		<u>70,954</u>	<u>153,052</u>
	Current tax charge for the period	<u>287,446</u>	<u>274,342</u>

The company has estimated losses of £ 15,807 (2013 - £ nil) available for carry forward against future trading profits.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

7 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2014 £	2013 £
Holding company's loss for the financial year	(12,646)	-

8 Intangible fixed assets Group

	Patents £	Goodwill £	Total £
Cost			
At 30 December 2013	75,639	5,990,780	6,066,419
Additions	-	4,748,053	4,748,053
At 28 December 2014	75,639	10,738,833	10,814,472
Amortisation			
At 30 December 2013	61,206	1,938,734	1,999,940
Charge for the period	2,940	527,743	530,683
At 28 December 2014	64,146	2,466,477	2,530,623
Net book value			
At 28 December 2014	11,493	8,272,356	8,283,849
At 29 December 2013	4,125	3,770,416	3,774,541

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

9 Tangible fixed assets

Group

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 30 December 2013	609,290	392,822	5,265,060	19,596	6,286,768
Additions	-	-	524,890	-	524,890
Disposals	-	-	-	(5,422)	(5,422)
At 28 December 2014	609,290	392,822	5,789,950	14,174	6,806,236
Depreciation					
At 30 December 2013	-	361,499	2,791,394	8,204	3,129,313
On disposals	-	-	-	(2,266)	(2,266)
Charge for the period	-	11,131	465,842	3,458	480,431
At 28 December 2014	-	372,630	3,257,236	9,396	3,607,478
Net book value					
At 28 December 2014	609,290	20,192	2,532,714	4,778	3,198,758
At 29 December 2013	609,290	31,323	2,102,785	11,392	2,754,790

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 28 December 2014	95,353	-	95,353
At 29 December 2013	200,573	-	200,573
Depreciation charge for the period			
28 December 2014	31,785	-	31,785
29 December 2013	34,412	-	34,412

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

10 Fixed asset investments Group

	Shares in group undertakings £
Cost	
At 30 December 2013	300
Disposals	(300)
At 28 December 2014	-

In the opinion of the the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Company

	Shares in group undertakings £
Cost	
At 30 December 2013	-
Additions	4,783,893
At 28 December 2014	4,783,893
Net book value	
At 28 December 2014	4,783,893

In the opinion of the the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Full House Restaurants Limited	England and Wales	Ordinary	100.00
House Special Limited	England and Wales	Ordinary	100.00
The Woodpecker Inn Limited	England and Wales	Ordinary	100.00
Classic Crust Limited	England and Wales	Ordinary	100.00
BN Sandy (Cannock) Limited	England and Wales	Ordinary	100.00
BN Sandy (Newcastle) Limited	England and Wales	Ordinary	100.00
Dancing Tiger Limited	England and Wales	Ordinary	100.00
Freshname 845 Limited	England and Wales	Ordinary	100.00
Sherston Limited	England and Wales	Ordinary	100.00
Bristol Curry Limited	England and Wales	Ordinary	100.00

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

10 Fixed asset investments

(Continued)

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Full House Restaurants Limited	Fast food outlets
House Special Limited	Fast food outlets
The Woodpecker Inn Limited	Fast food outlets
Classic Crust Limited	Fast food outlets
BN Sandy (Cannock) Limited	Fast food outlets
BN Sandy (Newcastle) Limited	Fast food outlets
Dancing Tiger Limited	Fast food outlets
Freshname 845 Limited	Fast food outlets
Sherston Limited	Fast food outlets
Bristol Curry Limited	Dormant company

All subsidiary undertakings have been included within the group financial statements.

For the financial year ended 28 December 2014 all subsidiaries, except Full House Restaurants Limited, were entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

On 22 August 2014 the share capital of Full House Restaurants Limited, House Special Limited and The Woodpecker Inn Limited was acquired by Full House Restaurants Holdings Limited. These business combinations constitute a group reconstruction and have been accounted for as a merger in accordance with FRS 6.

On 22 September 2014 the share capital of Classic Crust Limited, BN Sandy (Cannock) Limited, BN Sandy (Newcastle) Limited, Dancing Tiger Limited, Freshname 845 Limited, Sherston Limited and Bristol Curry Limited was acquired by Full House Restaurants Holdings Limited.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

11 Acquisition of subsidiaries

On 22 September 2014, Full House Restaurants Holdings Limited acquired 100% of the issued share capital and obtained control of Classic Crust Limited, BN Sandy (Cannock) Limited, BN Sandy (Newcastle) Limited, Dancing Tiger Limited, Freshname 845 Limited and Sherston Limited, all of which operate fast food outlets. At the same time Full House Restaurants Holdings Limited acquired 100% of the issued share capital and obtained control of Bristol Curry Limited, a dormant company.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below in aggregate for all acquisitions; none is considered material.

	£
Intangible assets	291,937
Tangible assets	402,441
Investments	300
Total non-current assets	694,678
Stocks	30,588
Trade and other debtors	385,621
Cash at bank and in hand	270,099
Current assets	686,308
Creditors falling due within one year	(712,434)
Net current liabilities	(26,126)
Creditors falling due after more than one year	(256,808)
Provisions for liabilities	(32,666)
Total net assets	379,078
Goodwill	4,404,815
Total cash consideration	4,783,893

The fair value of the identifiable assets acquired and liabilities assumed have been determined to be equal to the carrying values of the assets and liabilities on acquisition.

The summarised profit and loss account for the acquired subsidiaries in aggregate for the period from the date of acquisition to 28 December 2014 is as follows:

	£
Turnover	1,077,262
Gross Profit	347,851
Operating profit	135,547

There were no recognised gains and losses other than those passing through the profit and loss account in the period.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

11 Acquisition of subsidiaries

(Continued)

The subsidiaries acquired contributed £97,350 to the Group's profit for the period between the date of acquisition and the balance sheet date.

12 Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials and consumables	116,904	93,019	-	-

13 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	19,829	2,375	-	-
Amounts owed by group undertakings	635	-	685,865	-
Called up share capital not paid	2,000	2,000	1,000	1,000
Other debtors	13,544	883,904	2,013	-
Prepayments and accrued income	307,846	213,512	-	-
Deferred tax asset (see note 16)	-	-	3,161	-
	343,854	1,101,791	692,039	1,000

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

14 Creditors : amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	332,570	320,231	-	-
Net obligations under finance lease and hire purchase contracts	37,171	59,260	-	-
Trade creditors	1,625,907	705,980	-	-
Amounts owed to group undertakings	-	-	1,376,111	-
Corporation tax	443,388	211,206	-	-
Taxes and social security costs	1,228,586	922,563	-	-
Directors current accounts	27,831	23,000	-	-
Other creditors	532,041	1,288,048	100,000	-
Accruals and deferred income	337,650	254,531	-	-
	<u>4,565,144</u>	<u>3,784,819</u>	<u>1,476,111</u>	<u>-</u>
Debt due in one year or less	<u>698,237</u>	<u>648,725</u>	<u>-</u>	<u>-</u>

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

15 Creditors : amounts falling due after more than one year

	Group 2014 £	2013 £	Company 2014 £	2013 £
Bank loans	5,440,255	1,651,374	4,126,243	-
Other loans	633,671	1,037,201	-	-
Net obligations under finance leases and hire purchase agreements	8,636	45,807	-	-
	<u>6,082,562</u>	<u>2,734,382</u>	<u>4,126,243</u>	<u>-</u>

Analysis of loans

Not wholly repayable within five years by instalments:

	1,387,348	431,666	1,172,509	-
Wholly repayable within five years	6,810,109	3,412,998	2,953,734	-
	<u>6,810,109</u>	<u>3,412,998</u>	<u>4,126,243</u>	<u>-</u>
Included in current liabilities	(736,183)	(724,423)	-	-
	<u>6,073,926</u>	<u>2,688,575</u>	<u>4,126,243</u>	<u>-</u>
Instalments not due within five years	1,387,348	431,666	1,172,509	-

Loan maturity analysis

In more than one year but not more than two years

In more than two years but not more than five years

In more than five years

1,238,377	768,493	535,869	-
2,756,724	1,534,223	1,717,754	-
1,387,348	431,666	1,172,509	-

The bank loans are primarily secured by fixed and floating charges over group assets dated 11 November 2010, 9 February 2012 and 23 October 2014. The bank loans are repayable over terms of 7 & 15 years at rates of 2.5%, 2.8% and 3% per annum over the Bank's Sterling Base Rate. Mr J. E. Shedden, a director, has personally guaranteed these borrowings to a maximum of £250,000.

This company has also pledged security to the bank, along with House Special Limited, The Woodpecker Inn Limited, Full House Restaurants Limited, BN Sandy (Cannock) Limited, BN Sandy (Newcastle) Limited, Classic Crust Limited, Sherston Limited, Dancing Tiger Limited and Freshname 845 Limited, by way of a Composite Company Unlimited Unilateral Guarantee dated 7 February 2012.

Net obligations under finance leases and hire purchase contracts

Repayable within one year	37,171	59,260	-	-
Repayable between one and five years	8,636	45,807	-	-
	<u>45,807</u>	<u>105,067</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(37,171)	(59,260)	-	-

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

15 Creditors : amounts falling due after more than one year (Continued)

	8,636	45,807	-	-
	<u>8,636</u>	<u>45,807</u>	<u>-</u>	<u>-</u>

16 Provisions for liabilities Group

Deferred
taxation
£

Balance at 30 December 2013& at 28 December 2014	240,091
Profit and loss account	45,231
	<u>285,322</u>
Balance at 28 December 2014	<u>285,322</u>

Company

Balance at 30 December 2013& at 28 December 2014	-
Profit and loss account	(3,161)
	<u>(3,161)</u>
Balance at 28 December 2014	<u>(3,161)</u>

The deferred tax liability is made up as follows:

	Group 2014 £	2013 £	Company 2014 £	2013 £
Accelerated capital allowances	360,115	279,057	-	-
Tax losses available	(74,793)	(71,632)	(3,161)	-
	<u>285,322</u>	<u>207,425</u>	<u>(3,161)</u>	<u>-</u>

17 Retirement Benefits

Contributions payable by the group for the period	28,807	9,903
Contributions payable to the fund at the period end and included in creditors	(4,214)	(1,506)
	<u>24,593</u>	<u>8,397</u>

18 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1,000 Ordinary of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

19 Statement of movements on reserves Group

	Other reserves (see below) £	Profit and loss account £
Balance at 30 December 2013	206,590	1,436,078
Profit for the period	-	698,236
Dividends paid	-	(110,000)
Balance at 28 December 2014	<u>206,590</u>	<u>2,024,314</u>
Other reserves		
Reserves provided for by the Articles of Association		
Balance at 30 December 2013 & at 28 December 2014	<u>206,590</u>	

Company

	Profit and loss account £
Loss for the year	<u>(12,646)</u>

'Other reserves' comprises the merger reserve as provided by FRS 4; the movement on this reserve represents existing balances of share premium that existed in the subsidiaries at the time of the business combination.

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 DECEMBER 2014

20	Reconciliation of movements in shareholders' funds Group	2014	2013
		£	£
	Profit for the financial period	698,236	312,910
	Dividends	(110,000)	(150,000)
	Merger reserve movement	-	206,590
	Net addition to shareholders' funds	588,236	369,500
	Opening shareholders' funds	1,643,668	1,274,168
	Closing shareholders' funds	2,231,904	1,643,668
	Company	2014	2013
		£	£
	Loss for the financial year	(12,646)	-
	Opening shareholders' funds	1,000	1,000
	Closing shareholders' funds	(11,646)	1,000

21 Financial commitments

At 28 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within one year	-	28,000	25,833	13,144
Between two and five years	118,660	64,900	29,631	54,870
In over five years	459,290	361,650	-	-
	577,950	454,550	55,464	68,014

FULL HOUSE RESTAURANTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 DECEMBER 2014

22	Directors' remuneration	2014 £	2013 £
	Remuneration for qualifying services	198,834	251,501
	Company pension contributions to defined contribution schemes	2,671	4,697
		<u>201,505</u>	<u>256,198</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 2).

23 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2014 Number	2013 Number
Head office	10	11
Stores	1,080	809
	<u>1,090</u>	<u>820</u>

Employment costs

	2014 £	2013 £
Wages and salaries	7,174,085	6,009,728
Social security costs	380,544	309,568
Other pension costs	28,807	9,903
	<u>7,583,436</u>	<u>6,329,199</u>

24 Control

The company is under the control of J. E. Shedden and B. J. Shedden by virtue of their combined majority share holding.