

Banner Dell Limited
Financial Statements
4 December 2016



MANEELY Mc CANN
Chartered Accountants & Statutory Auditor
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

Banner Dell Limited

Financial Statements

Period from 30 November 2015 to 4 December 2016

Contents	Page
Officers and professional advisers	1
Strategic report	3
Director's report	5
Independent auditor's report to the members	7
Consolidated statement of comprehensive income	9
Consolidated statement of financial position	10
Company statement of financial position	12
Consolidated statement of changes in equity	13
Company statement of changes in equity	15
Consolidated statement of cash flows	16
Notes to the financial statements	18

Banner Dell Limited

Officers and Professional Advisers

Director	Mrs L E Herbert
Registered office	Marina Buildings Harleyford Estate Marlow Buckinghamshire England SL7 2DX
Auditor	Maneely Mc Cann Chartered accountant & statutory auditor Aisling House 50 Stranmillis Embankment Belfast BT9 5FL
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS First Trust Bank 322 Antrim Road Glengormley Newtownabbey BT36 5EQ Allied Irish Bank 40-41 Westmoreland Street Dublin 2 Bank of Ireland 1 Donegall Square South Belfast BT1 5LR Isle of Man Bank East Region Douglas Isle of Man IM99 1AN Royal Bank of Scotland plc 29 Harbour Road Inverness IV1 1NU Lloyds 45 High Street Maidenhead Berkshire SL6 1JL Danske Bank National House 1 Airton Close Dublin 24

Banner Dell Limited

Officers and Professional Advisers *(continued)*

Solicitors

Maclay Murray & Spens LLP
1 George Square
Glasgow
G2 1AL

Mills Selig
21 Arthur Street
Belfast
BT1 4GA

O'Hare Solicitors
St George's Buildings
37-41 High Street
Belfast
BT1 2AB

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

Eugene F Collins
Temple Chambers
3 Burlington Road
Dublin 4

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

Burness Paul LLP
Union Plaza
1 Union Wynd
Aberdeen
AB10 1DQ

Banner Dell Limited

Strategic Report

Period from 30 November 2015 to 4 December 2016

The principal activity of the company during the period was that of a holding company.

The principal activities of the Banner Dell Limited Group are retail fast food operations through the medium of the "Kentucky Fried Chicken" (KFC) franchise and property investment and development. The group's revenues are generated by fast food sales, rental income from investment properties and the sale of trading properties.

The group operates throughout Republic of Ireland, Northern Ireland, Scotland and England.

The KFC franchise business continues to trade strongly. The key performance indicators that management monitored on a monthly basis during the year were as follows:

- store by store growth compared to prior period
- food costs as a percentage of sales
- labour costs as a percentage of sales
- labour hours used on a weekly, store by store basis compared to sales achieved and same week prior year.

The group holds a substantial investment property portfolio throughout the United Kingdom and Republic of Ireland. At the balance sheet date the group held investment properties totalling £69.9 million. A significant number of its properties are occupied by leading retail chains and are situated in prime locations. The portfolio includes shopping centres, industrial estate, office accommodation, and other well located properties. The group continues to achieve good rental yields.

The group also holds several properties and sites with development potential.

The group's result for the period is an operating profit of £7.7 million, (29 November 2015: operating loss of £35.3 million, after the revaluation of all properties in the period), and a profit on ordinary activities before tax of £4.3 million (29 November 2015: loss of £36.5 million). At the period end net assets of the group were £8.37 million (29 November 2015: £5.4 million).

Overall the director is satisfied with the group's results for the period. The group is well placed to deal with any uncertainties that may arise and in response to this the director is involved in prudent business planning and working closely with the group's key stakeholders.

The director continues to seek opportunities for retail fast food operations and property investment and development that fit with the group's strategic objectives.

The group's property business is sensitive to changes in property values, occupancy, rental returns, inflation and interest rates. The KFC business is sensitive to consumer spending habits, inflation and increased costs (e.g. wages, energy costs and direct costs). The director is aware that any plans for future development of the business may be subject to unforeseen future events outside her control. The director however focuses strongly on managing and mitigating these risks as well as exploring new opportunities for the business.

Banner Dell Limited

Strategic Report *(continued)*

Period from 30 November 2015 to 4 December 2016

The group's operations expose it to a variety of financial risks that include liquidity risk and interest rate risk.

Given the size of the group, the director has not delegated the responsibility of monitoring financial risk management to a sub committee. The policies are set and reviewed by the director, and are implemented by the group's finance team. The main risks are summarised below:

Foreign exchange risk

While the greater part of the group's revenues and expenses are denominated in sterling, the group is exposed to some foreign exchange risk in the normal course of business. While the group has not used financial instruments to hedge foreign exchange exposure, this position is under constant review.

Liquidity risk

The group actively maintains a mixture of long-term and short-term finance to ensure sufficient liquidity available for operations and any planned expansions.

Interest rate risk

The group finances its operations through a combination of bank overdrafts, bank loans and other loans, and has a policy of maintaining debt at competitive rates to ensure a reasonable degree of certainty over future interest cash flows. The director will revisit the appropriateness of this policy should the group's operations change in size or nature.

This report was approved by the board of directors on 4 September 2017 and signed on behalf of the board by:



Mrs L E Herbert
Director

Registered office:
Marina Buildings
Harleyford Estate
Marlow
Buckinghamshire
England
SL7 2DX

Banner Dell Limited

Director's Report

Period from 30 November 2015 to 4 December 2016

The director presents her report and the financial statements of the group for the period ended 4 December 2016.

Director

The director who served the company during the period was as follows:

Mrs L E Herbert

Dividends

Particulars of recommended dividends are detailed in note 15 to the financial statements.

Employment of disabled persons

The company gives full consideration to applications from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

It is the policy of the group to provide employees with information on matters of concern to them through the normal management channels. The involvement of the employees in the group's performance is encouraged by the provision of relevant information aimed at achieving employee awareness of the various factors affecting the group.

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the director is 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 company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Banner Dell Limited

Director's Report *(continued)*

Period from 30 November 2015 to 4 December 2016

Auditor

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

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 4 September 2017 and signed on behalf of the board by:



Mrs L E Herbert
Director

Registered office:
Marina Buildings
Harleyford Estate
Marlow
Buckinghamshire
England
SL7 2DX

Banner Dell Limited

Independent Auditor's Report to the Members of Banner Dell Limited

Period from 30 November 2015 to 4 December 2016

We have audited the financial statements of Banner Dell Limited for the period ended 4 December 2016 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 director and auditor

As explained more fully in the director's responsibilities statement, the director is 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.

Basis for qualified opinion on financial statements

With respect to certain investment properties held by group companies with a carrying value of £5.20 million, the evidence available to us was limited. The directors of the group companies involved have valued the properties to the best of their ability at open market value. However, in the current market conditions, we are unable to make an assessment of the accuracy of this valuation. Owing to the unstable nature of the current property environment, there is no active market from which we could make an assessment of open market value and we were unable to obtain sufficient appropriate audit evidence regarding the valuation of the investment properties by using other audit procedures.

In addition, with respect to the group's development stock and work in progress having a carrying value of £21.06 million, the evidence available to us was limited because, although the directors of the group companies involved have valued the stock to the best of their ability, there is no active market from which we could make an assessment of its net realisable value. Owing to the unstable nature of the current property environment, we were unable to obtain sufficient appropriate audit evidence regarding the valuation of development stock and work in progress by using other audit procedures.

Banner Dell Limited

Independent Auditor's Report to the Members of Banner Dell Limited *(continued)*

Period from 30 November 2015 to 4 December 2016

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 4 December 2016 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 the director's 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

Arising from the limitation of our work referred to above:

- we have not received all the information and explanations we require for our audit.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.



Cathal Maneely (Senior Statutory Auditor)

For and on behalf of
Maneely Mc Cann
Chartered Accountants & Statutory Auditor

Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

4 September 2017

Banner Dell Limited

Consolidated Statement of Comprehensive Income

Period from 30 November 2015 to 4 December 2016

	Note	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Turnover	4	134,980,959	90,815,022
Cost of sales		<u>73,347,609</u>	<u>50,847,123</u>
Gross profit		61,633,350	39,967,899
Administrative expenses		55,852,553	75,541,898
Other operating income	5	<u>1,967,986</u>	<u>286,564</u>
Operating profit/(loss)	6	7,748,783	(35,287,435)
Other interest receivable and similar income	11	31,112	47,257
Interest payable and similar charges	12	<u>3,523,285</u>	<u>1,271,359</u>
Profit/(loss) on ordinary activities before taxation		4,256,610	(36,511,537)
Tax on profit/(loss) on ordinary activities	13	<u>1,535,715</u>	<u>(9,833,008)</u>
Profit/(loss) for the financial period		<u>2,720,895</u>	<u>(26,678,529)</u>
Revaluation of tangible assets		–	(2,131,825)
Foreign currency retranslation		491,316	3,130,430
Movement on group reorganisation		–	30,496,503
Other comprehensive income for the period		491,316	31,495,108
Total comprehensive income for the period		<u>3,212,211</u>	<u>4,816,579</u>
Total comprehensive income for the period attributable to:			
The owners of the parent company		3,212,211	4,816,559
Minority interests		–	(20)
		<u>3,212,211</u>	<u>4,816,579</u>

All the activities of the group are from continuing operations.

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Consolidated Statement of Financial Position

4 December 2016

	Note	4 Dec 16 £	29 Nov 15 £
Fixed assets			
Intangible assets	16	27,699,337	29,688,863
Tangible assets	17	94,493,059	107,216,812
Investments	18	13,950	(9,778,376)
		<u>122,206,346</u>	<u>127,127,299</u>
Current assets			
Stocks	19	21,743,883	14,925,955
Debtors	20	22,340,793	15,044,594
Cash at bank and in hand		7,976,123	9,498,529
		<u>52,060,799</u>	<u>39,469,078</u>
Creditors: amounts falling due within one year	21	<u>99,650,295</u>	<u>139,955,205</u>
Net current liabilities		<u>47,589,496</u>	<u>100,486,127</u>
Total assets less current liabilities		<u>74,616,850</u>	<u>26,641,172</u>
Creditors: amounts falling due after more than one year	22	65,183,808	19,427,908
Provisions			
Taxation including deferred tax	24	1,063,642	1,786,085
Net assets		<u>8,369,400</u>	<u>5,427,179</u>
Capital and reserves			
Called up share capital	28	610,600	610,600
Revaluation reserve	29	–	438,224
Capital redemption reserve	29	322,500	322,500
Merger reserve	29	755,225	755,225
Profit and loss account	29	6,681,045	3,300,610
Equity attributable to the owners of the parent company		<u>8,369,370</u>	<u>5,427,159</u>
Minority interests		<u>30</u>	<u>20</u>
		<u>8,369,400</u>	<u>5,427,179</u>

The consolidated statement of financial position
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Consolidated Statement of Financial Position *(continued)*

4 December 2016

These financial statements were approved by the board of directors and authorised for issue on 4 September 2017, and are signed on behalf of the board by:

Mrs L E Herbert
Director

Company registration number: 09438491

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited
Company Statement of Financial Position
4 December 2016

	Note	4 Dec 16 £	29 Nov 15 £
Fixed assets			
Investments	18	610,540	610,450
Current assets			
Debtors	20	150	150
Net current assets		150	150
Total assets less current liabilities		610,690	610,600
Creditors: amounts falling due after more than one year	22	90	–
Net assets		610,600	610,600
Capital and reserves			
Called up share capital	28	610,600	610,600
Shareholders funds		610,600	610,600

These financial statements were approved by the board of directors and authorised for issue on 4 September 2017, and are signed on behalf of the board by:

L E Herbert

Mrs L E Herbert
Director

Company registration number: 09438491

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited
Consolidated Statement of Changes in Equity
Period from 30 November 2015 to 4 December 2016

	Note	Called up share capital £	Revaluation reserve £	Capital redemption reserve £	Merger reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
At 13 February 2015		–	–	–	–	–	–	–	–
Loss for the period						(26,678,529)	(26,678,529)	–	– (26,678,529)
Other comprehensive income for the period:									
Revaluation of tangible assets	17	–	(2,131,825)	–	–	–	(2,131,825)	–	– (2,131,825)
Foreign currency retranslation		–	–	–	–	3,130,430	3,130,430	–	– 3,130,430
Movement on group reorganisation		–	2,570,049	322,500	755,225	26,848,709	30,496,483	20	30,496,503
Total comprehensive income for the period		–	438,224	322,500	755,225	3,300,610	4,816,559	20	4,816,579
Issue of shares		610,600	–	–	–	–	610,600	–	610,600
Total investments by and distributions to owners		610,600	–	–	–	–	610,600	–	610,600
At 29 November 2015		610,600	438,224	322,500	755,225	3,300,610	5,427,159	20	5,427,179

The consolidated statement of changes in equity
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited
Consolidated Statement of Changes in Equity *(continued)*
Period from 30 November 2015 to 4 December 2016

	Note	Called up share capital £	Revaluation reserve £	Capital redemption reserve £	Merger reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
Profit for the period						2,720,895	2,720,895	–	2,720,895
Other comprehensive income for the period:									
Foreign currency retranslation		–	–	–	–	491,316	491,316	–	491,316
Reclassification from revaluation reserve to profit and loss account		–	(438,224)	–	–	438,224	–	–	–
Total comprehensive income for the period		–	(438,224)	–	–	3,650,435	3,212,211	–	3,212,211
Dividends paid and payable	15	–	–	–	–	(270,000)	(270,000)	–	(270,000)
Acquisition of subsidiary with minority interest		–	–	–	–	–	–	10	10
Total investments by and distributions to owners		–	–	–	–	(270,000)	(270,000)	10	(269,990)
At 4 December 2016		<u>610,600</u>	<u>–</u>	<u>322,500</u>	<u>755,225</u>	<u>6,681,045</u>	<u>8,369,370</u>	<u>30</u>	<u>8,369,400</u>

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Company Statement of Changes in Equity

Period from 30 November 2015 to 4 December 2016

	Called up share capital £	Profit and loss account £	Total £
At 13 February 2015	–	–	–
Loss for the period		–	–
Issue of shares	610,600	–	610,600
Total investments by and distributions to owners	610,600	–	610,600
At 29 November 2015	610,600	–	610,600
Profit for the period		270,000	270,000
Total comprehensive income for the period	–	270,000	270,000
Dividends paid and payable	15	(270,000)	(270,000)
Total investments by and distributions to owners	–	(270,000)	(270,000)
At 4 December 2016	610,600	–	610,600

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Consolidated Statement of Cash Flows

Period from 30 November 2015 to 4 December 2016

	4 Dec 16 £	29 Nov 15 £
Cash flows from operating activities		
Profit/(loss) for the financial period	2,720,895	(26,678,529)
<i>Adjustments for:</i>		
Depreciation of tangible assets	4,494,717	2,850,140
Impairment of tangible assets	277,163	411,316
Amortisation of intangible assets	1,747,154	1,382,315
Impairment of intangible assets	–	436,100
Fair value adjustment of investment property	14,112,907	63,220,476
Income from shares in group undertakings	–	550,000
Other interest receivable and similar income	(31,112)	(47,257)
Interest payable and similar charges	3,523,285	1,271,359
Gains on disposal of tangible assets	(446,887)	–
Loss on disposal of intangible assets	–	6,309
Loss on disposal of investment property	855,426	386,569
Tax on profit/(loss) on ordinary activities	1,529,842	(9,833,008)
Accrued (income)/expenses	(6,876,808)	19,876,545
<i>Changes in:</i>		
Stocks	(6,817,928)	(14,925,955)
Trade and other debtors	(6,939,277)	(15,044,594)
Trade and other creditors	78,900,862	12,787,006
Cash generated from operations	87,050,239	36,648,792
Interest paid	(3,523,285)	(1,268,583)
Interest received	31,112	47,257
Tax paid	(1,310,768)	–
Net cash from operating activities	<u>82,247,298</u>	<u>35,427,466</u>
Cash flows from investing activities		
Purchase of tangible assets	(14,823,662)	(13,864,451)
Proceeds from sale of tangible assets	11,364,633	5,735,826
Purchase of intangible assets	(266,463)	(6,163,739)
Acquisition of subsidiaries	–	(68,543,751)
Dividends received	–	(550,000)
Net cash used in investing activities	<u>(3,725,492)</u>	<u>(83,386,115)</u>

The consolidated statement of cash flows
continues on the following page.

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Consolidated Statement of Cash Flows *(continued)*

Period from 30 November 2015 to 4 December 2016

	Note	4 Dec 16 £	29 Nov 15 £
Cash flows from financing activities			
Proceeds from issue of ordinary shares		–	610,600
Proceeds from borrowings		(99,883,401)	–
Repayments of borrowings		–	56,622,016
Proceeds from loans from group undertakings		20,174,274	–
Proceeds from loans from participating interests		(44,403)	–
Payments of finance lease liabilities		(20,682)	224,562
Dividends paid		(270,000)	–
Net cash (used in)/from financing activities		<u>(80,044,212)</u>	<u>57,457,178</u>
Net (decrease)/increase in cash and cash equivalents		(1,522,406)	9,498,529
Cash and cash equivalents at beginning of period		9,498,529	–
Cash and cash equivalents at end of period		<u>7,976,123</u>	<u>9,498,529</u>

The notes on pages 18 to 39 form part of these financial statements.

Banner Dell Limited

Notes to the Financial Statements

Period from 30 November 2015 to 4 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Marina Buildings, Harleyford Estate, Marlow, Buckinghamshire, SL7 2DX, England.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Derivative instruments

Amounts payable or receivable under interest rate derivatives are matched with the interest payable on the debt which the derivatives hedge.

Exclusivity agreement

Where a group company has received a lump sum payment from an exclusivity agreement, in relation to the purchase and supply of specific goods, the income is treated as deferred income and released to the profit and loss account over the term of the agreement.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Consolidation

The financial statements consolidate the financial statements of the Group and all of its subsidiary undertakings.

The accounting policies of group undertakings are adjusted, where appropriate, to conform to group accounting policies.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

Lebreh Limited, a group company, has been excluded from the consolidated accounts for the current period and prior period, on the basis that the group no longer influences significant control over this entity.

Minority interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Judgements and key sources of estimation uncertainty

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

Revenue recognition

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

Revenue from retail activities is recognised on the date of supply; revenue from rentals accrues on a time basis by reference to the agreements entered; turnover from property sales is recognised on the date of completion.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

The financial statements of foreign subsidiary undertakings are translated at the rate ruling at the balance sheet date. The exchange difference arising on the retranslation of the opening net assets is taken directly to reserves.

Intangible assets

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

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Amortisation

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

Goodwill	-	5% per annum straight line
Franchise licences	-	Over the duration of the licence agreement

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Land and buildings

Land and buildings other than investment properties are revalued in accordance with FRS 102. Any surpluses or deficits thereon are credited/debited to a revaluation reserve. Deficits arising are charged to the profit and loss account if not exceeded by previous revaluation surpluses.

The annual depreciation charge which would be necessary to write the book value of the assets to residual value is considered to be immaterial and is therefore not provided for.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Depreciation

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

Short leasehold property	-	Over the duration of the lease
Fixtures, fittings & equipment	-	Over 5, 10, 12 and 15 years
Motor vehicles	-	20% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in joint ventures

Investments in joint ventures accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Stocks

Retail stock

Retail stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the purchase price of food and wrapping stocks, including directly attributable costs. Net realisable value is the price at which the stock can be realised in the normal course of business. Provision is made where necessary for obsolete and slow moving items.

Trading property stock and work in progress

Trading property stock and work in progress is stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each property or site to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion or disposal. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of trading property stock and work in progress.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Retail sales	128,987,480	84,506,912
Gross rental income	3,205,479	3,456,013
Trading property sales	2,788,000	2,852,097
	<u>134,980,959</u>	<u>90,815,022</u>

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

4. Turnover *(continued)*

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom, Republic of Ireland, Jersey and Isle of Man.

5. Other operating income

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Rental income	1,933,275	206,758
Other operating income	34,711	79,806
	<u>1,967,986</u>	<u>286,564</u>

6. Operating profit

Operating profit or loss is stated after charging:

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Amortisation of intangible assets	1,748,530	1,382,315
Depreciation of tangible assets	4,494,717	2,850,140
Impairment of intangible assets recognised in:		
Administrative expenses	–	436,100
Impairment of tangible assets recognised in:		
Administrative expenses	277,163	411,316
Gains on disposal of tangible assets	(446,887)	–
Loss on disposal of intangible assets	–	6,309
Loss on disposal of investment property	855,426	386,569
Fair value adjustments to investment property	14,112,907	63,220,476
Operating lease rentals	6,103,974	5,006,236
Foreign exchange differences	<u>4,475,546</u>	<u>(987,314)</u>

7. Auditor's remuneration

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Fees payable for the audit of the financial statements	<u>108,423</u>	<u>93,068</u>

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

8. Staff costs

The average number of persons employed by the group during the period, including the director, amounted to:

	4 Dec 16	29 Nov 15
	No.	No.
Administrative staff	44	27
Restaurant staff	1,998	1,793
	<u>2,042</u>	<u>1,820</u>

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

	Period from	Period from
	30 Nov 15 to	13 Feb 15 to
	4 Dec 16	29 Nov 15
	£	£
Wages and salaries	32,172,841	19,627,476
Social security costs	2,125,133	1,390,403
Other pension costs	140,576	167,183
	<u>34,438,550</u>	<u>21,185,062</u>

9. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	Period from	Period from
	30 Nov 15 to	13 Feb 15 to
	4 Dec 16	29 Nov 15
	£	£
Remuneration	<u>207,401</u>	<u>139,930</u>

Remuneration of the highest paid director in respect of qualifying services:

	Period from	Period from
	30 Nov 15 to	13 Feb 15 to
	4 Dec 16	29 Nov 15
	£	£
Aggregate remuneration	<u>217,249</u>	<u>139,930</u>

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

10. Exceptional items

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Write off of intercompany loans	–	(21,170,970)	–	–
Impairment of goodwill	–	436,100	–	–
Impairment of tangible fixed assets	277,163	411,316	–	–
Investment property - fair value adjustment	14,112,907	63,220,476	–	–
Gain on disposal of joint venture	(9,792,327)	–	–	–
Gain on release of debt	(5,594,702)	–	–	–
	<u>(996,959)</u>	<u>42,896,922</u>	<u>–</u>	<u>–</u>

There was no impact on taxation in respect of any of the above.

11. Other interest receivable and similar income

	Period from 30 Nov 15 to 4 Dec 16	Period from 13 Feb 15 to 29 Nov 15
	£	£
Interest on loans and receivables	24,000	33,191
Interest on cash and cash equivalents	7,112	14,066
	<u>31,112</u>	<u>47,257</u>

12. Interest payable and similar charges

	Period from 30 Nov 15 to 4 Dec 16	Period from 13 Feb 15 to 29 Nov 15
	£	£
Interest on overdue tax	(149,410)	2,776
Interest on banks loans and overdrafts	3,693,585	655,672
Interest on obligations under finance leases and hire purchase contracts	8,952	15,042
Other interest payable and similar charges	(29,842)	597,869
	<u>3,523,285</u>	<u>1,271,359</u>

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

13. Tax on profit/(loss) on ordinary activities

Major components of tax expense/(income)

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Current tax:		
UK current tax expense	2,005,696	1,129,415
Adjustments in respect of prior periods	(857,659)	15,379
Double taxation relief	(3,332)	(128,132)
Total UK current tax	1,144,705	1,016,662
Foreign current tax expense	3,332	197,410
Total current tax	1,148,037	1,214,072
Deferred tax:		
Origination and reversal of timing differences	387,678	(10,556,056)
Other component of deferred tax expense (income)	–	(491,024)
Total deferred tax	387,678	(11,047,080)
Tax on profit/(loss) on ordinary activities	1,535,715	(9,833,008)

Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the period is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	Period from 30 Nov 15 to 4 Dec 16 £	Period from 13 Feb 15 to 29 Nov 15 £
Profit/(loss) on ordinary activities before taxation	4,256,610	(36,511,537)
Profit/(loss) on ordinary activities by rate of tax	851,320	(7,302,308)
Adjustment to tax charge in respect of prior periods	(857,659)	(26,121)
Effect of expenses not deductible for tax purposes	242,203	5,640,342
Effect of capital allowances and depreciation	32,781	352,681
Effect of different UK tax rates on some earnings	690,157	2,565,576
Utilisation of tax losses	(29,299)	(64,008)
Unused tax losses	218,533	47,910
Origination and reversal of timing differences	387,679	(11,047,080)
Tax on profit/(loss) on ordinary activities	1,535,715	(9,833,008)

14. Profit for the period of the parent company

The profit for the financial period of the parent company was £270,000 (2015: £Nil).

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

15. Dividends

Dividends paid during the period (excluding those for which a liability existed at the end of the prior period):

	4 Dec 16 £	29 Nov 15 £
Dividends on equity shares	<u>270,000</u>	<u>—</u>

16. Intangible assets

Group	Goodwill £	Franchise licences £	Total £
Cost			
At 30 November 2015	30,373,896	710,728	31,084,624
Additions	—	266,463	266,463
Disposals	—	(633,767)	(633,767)
Foreign exchange movement	—	53,542	53,542
At 4 December 2016	<u>30,373,896</u>	<u>396,966</u>	<u>30,770,862</u>
Amortisation			
At 30 November 2015	1,336,056	59,705	1,395,761
Charge for the period	1,518,941	229,589	1,748,530
Disposals	—	(117,664)	(117,664)
Transfers	—	44,898	44,898
At 4 December 2016	<u>2,854,997</u>	<u>216,528</u>	<u>3,071,525</u>
Carrying amount			
At 4 December 2016	<u>27,518,899</u>	<u>180,438</u>	<u>27,699,337</u>
At 29 November 2015	<u>29,037,840</u>	<u>651,023</u>	<u>29,688,863</u>

The company has no intangible assets.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

17. Tangible assets

Group	Land and buildings £	Investment property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 30 November 2015	8,791,767	69,924,647	28,438,988	130,438	107,285,840
Additions	110,556	48,163,103	7,993,028	–	56,266,687
Disposals	(2,728,322)	(51,036,516)	(7,158,237)	(125,998)	(61,049,073)
Transfer (to)/from stock	(899,999)	769,999	–	–	(130,000)
Revaluations	(77,163)	(14,559,267)	–	–	(14,636,430)
Foreign exchange movement	–	6,845,022	928,421	–	7,773,443
At 4 December 2016	5,196,839	60,106,988	30,202,200	4,440	95,510,467
Depreciation					
At 30 November 2015	–	–	41,972	27,056	69,028
Charge for the period	–	–	4,463,257	31,460	4,494,717
Disposals	–	–	(4,202,087)	(54,502)	(4,256,589)
Foreign exchange movement	–	–	710,252	–	710,252
At 4 December 2016	–	–	1,013,394	4,014	1,017,408
Carrying amount					
At 4 December 2016	5,196,839	60,106,988	29,188,806	426	94,493,059
At 29 November 2015	8,791,767	69,924,647	28,397,016	103,382	107,216,812

The company has no tangible assets.

Tangible assets held at valuation

In respect of certain fixed assets stated at valuations, the comparable historical cost of land and buildings is £7,911,738 (29 November 2015: £40,573,081) and investment property is £55,394,827 (29 November 2015: £105,988,074).

Included within land and buildings is land with a net book value of £856,870 (29 November 2015: £856,870).

Finance costs

The aggregate amount of finance costs included in the cost of tangible fixed assets is £35,254 (29 November 2015: £35,254).

Revaluation of fixed assets

Investment properties are valued by the director on an open market value for existing use basis, having regard to any recent professional valuations and marketing material provided by external agents in respect of the sale of properties. The director is of the opinion that the market valuations of the investment properties are not materially different from that shown in the accounts.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

18. Investments

Group	Shares in group undertakings £	Joint ventures £	Total £
Share of net assets/cost			
At 30 November 2015	13,950	(9,792,326)	(9,778,376)
Disposals	–	(1)	(1)
Disposal of joint venture	–	9,792,327	9,792,327
At 4 December 2016	<u>13,950</u>	<u>–</u>	<u>13,950</u>
Impairment			
At 30 November 2015 and 4 December 2016	<u>–</u>	<u>–</u>	<u>–</u>
Carrying amount			
At 4 December 2016	<u>13,950</u>	<u>–</u>	<u>13,950</u>
At 29 November 2015	<u>13,950</u>	<u>(9,792,326)</u>	<u>(9,778,376)</u>
Company			Shares in group undertakings £
Cost			
At 30 November 2015			610,450
Additions			90
At 4 December 2016			<u>610,540</u>
Impairment			
At 30 November 2015 and 4 December 2016			<u>–</u>
Carrying amount			
At 4 December 2016			<u>610,540</u>
At 29 November 2015			<u>610,450</u>
Subsidiaries, associates and other investments			

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

18. Investments *(continued)*

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
The investment in group undertakings comprises:				
Herbel Limited	Northern Ireland	Ordinary shares	100%	Holding company
Scotco (Eastern) Limited	Scotland	Ordinary shares	100%	Fast food retailers & property investment
Lebreh Limited	Northern Ireland	Ordinary shares	100%	Property investment
Herbel Limited, Scotco (Eastern) Limited and Lebreh Limited hold investments in the following group companies:				
Herbel Restaurants Limited	Northern Ireland	Ordinary shares	100%	Fast food retailers & property investment
L Herbert & Son Limited	Northern Ireland	Ordinary shares	100%	Dormant
Treetops Securities Limited	Northern Ireland	Ordinary shares	100%	Property investment
Herbel Properties Limited	Northern Ireland	Ordinary shares	100%	Dormant
Herbel Restaurants (Ireland) Limited	Republic of Ireland	Ordinary shares	100%	Fast food retailers & property investment
Loreburne Centre Limited	Northern Ireland	Ordinary shares	100%	Property investment
Herbel (Northern) Limited	Scotland	Ordinary shares	100%	Fast food retailers
Herbel (Western) Limited	Scotland	Ordinary shares	100%	Fast food retailers and property development
Green Lanes Centre Limited	Scotland	Ordinary shares	100%	Dormant
Lemon (Quay) One Limited	Scotland	Ordinary shares	100%	Dormant
Lemon (Quay) Two Limited	Scotland	Ordinary shares	100%	Dormant
Flagship Centre Limited	Scotland	Ordinary shares	100%	Property investment
Lesley Balmoral Limited	Northern Ireland	Ordinary shares	100%	Property investment
Craven Court Centre Limited	Scotland	Ordinary shares	100%	Property investment
Haudagain Retail Limited	Scotland	Ordinary shares	100%	Property investment
HB Building Property Services Limited	Northern Ireland	Ordinary shares	100%	Property development
Herbel First Limited	Northern Ireland	Ordinary shares	100%	Dormant

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

18. Investments *(continued)*

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Herbel Property Development Limited	Northern Ireland	Ordinary shares	100%	Property investment & development
Scotco ROI Limited	Republic of Ireland	Ordinary shares	100%	Fast food retailers
JRC Holdings Limited	England/Wales	Ordinary shares	100%	Holding company
Scotco Restaurants (Jersey) Limited	Jersey	Ordinary shares	100%	Fast food retailers
Scotco Eastern Properties Limited	England/Wales	Ordinary shares	100%	Property development
Scotco Eastern Ireland Property Limited	Republic of Ireland	Ordinary shares	100%	Dormant
Scotco (Northern) Limited	England/Wales	Ordinary shares	100%	Fast food retailers
Scotco Restaurants Limited	England/Wales	Ordinary shares	100%	Fast food retailers
Kram Management Limited	England/Wales	Ordinary shares	80%	Holding company
Kram Restaurants Limited	England/Wales	Ordinary shares	100%	Fast food retailers
Scotco Restaurants Southern Limited	England/Wales	Ordinary shares	100%	Fast food retailers
Lesley Estates Limited	Northern Ireland	Ordinary shares	100%	Dormant
Herbel Estates (Ireland) Limited	Republic of Ireland	Ordinary shares	100%	Property investment
Scotco NI Limited	England/Wales	Ordinary shares	100%	Fast food retailers
Kirk Bryson (Northern) Limited	England/Wales	Ordinary shares	100%	Property investment
Scotco Central Limited	England/Wales	Ordinary shares	100%	Holding company
Brogan Limited	Northern Ireland	Ordinary shares	90%	Property investment

As stated in Note 2, Lebreh Limited has been excluded from the consolidated accounts. At 4 December 2016 Lebreh Limited had net liabilities of £18,039,563 (29 November 2015: £25,191,539) and made a profit during the period of £7,151,976 (29 November 2015: Loss of £28,993,858).

Investment in Joint Venture Company - Artemis Developments Limited

During the period, Herbel Restaurants Limited disposed of its 1 ordinary £1 share representing a 50% joint venture interest in the issued share capital of Artemis Developments Limited. Artemis Developments Limited is a company incorporated in Northern Ireland which is involved in property trading and development.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

19. Stocks

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Trading properties and work in progress	21,060,082	14,204,169	—	—
Goods for resale	683,801	721,786	—	—
	<u>21,743,883</u>	<u>14,925,955</u>	<u>—</u>	<u>—</u>

20. Debtors

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Trade debtors	513,318	457,998	—	—
Amounts owed by group undertakings	6,879,808	216,113	—	—
Amounts owed by related parties	13,006	—	—	—
Deferred tax asset	9,372,215	10,115,470	—	—
Prepayments and accrued income	1,020,065	1,099,228	—	—
Director's loan account	—	831,976	—	—
Other debtors	4,542,381	2,323,809	150	150
	<u>22,340,793</u>	<u>15,044,594</u>	<u>150</u>	<u>150</u>

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

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Amounts owed by group undertakings	6,879,808	—	—	—
Other debtors	232,000	—	—	—
	<u>7,111,808</u>	<u>—</u>	<u>—</u>	<u>—</u>

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

21. Creditors: amounts falling due within one year

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Bank loans and overdrafts	37,160,006	104,035,464	–	–
Trade creditors	8,260,777	8,445,864	–	–
Amounts owed to group undertakings	–	547,228	–	–
Amounts owed to related parties	4,073	48,475	–	–
Accruals and deferred income	12,999,737	19,876,545	–	–
Corporation tax	2,749,892	2,507,226	–	–
Social security and other taxes	3,220,554	2,469,669	–	–
Obligations under finance leases and hire purchase contracts	40,776	183,786	–	–
Director's loan account	71,544	–	–	–
Other creditors	28,912,350	1,840,948	–	–
Other loans	6,230,586	–	–	–
	<u>99,650,295</u>	<u>139,955,205</u>	<u>–</u>	<u>–</u>

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

22. Creditors: amounts falling due after more than one year

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Bank loans and overdrafts	20,150,630	8,775,000	–	–
Amounts owed to group undertakings	–	–	90	–
Amounts owed to related parties	–	10,612,132	–	–
Obligations under finance leases and hire purchase contracts	–	40,776	–	–
Other loans	32,236,654	–	–	–
Other creditors	12,796,524	–	–	–
	<u>65,183,808</u>	<u>19,427,908</u>	<u>90</u>	<u>–</u>

See details of security given over bank loans and overdrafts at Note 21.

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

23. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Not later than 1 year	40,776	183,786	–	–
Later than 1 year and not later than 5 years	–	40,776	–	–
	<u>40,776</u>	<u>224,562</u>	<u>–</u>	<u>–</u>

24. Provisions

Group	Deferred tax (note 25) £
At 30 November 2015	1,786,085
Additions	51,492
Charge against provision	(3,501)
Unused amounts reversed	<u>(770,434)</u>
At 4 December 2016	<u>1,063,642</u>

The company does not have any provisions.

25. Deferred tax

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

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Included in debtors (note 20)	9,372,215	10,115,470	–	–
Included in provisions (note 24)	<u>(1,063,642)</u>	<u>(1,786,085)</u>	<u>–</u>	<u>–</u>
	<u>8,308,573</u>	<u>8,329,385</u>	<u>–</u>	<u>–</u>

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

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Accelerated capital allowances	846,579	1,297,850	–	–
Revaluation of tangible assets	<u>(9,155,152)</u>	<u>(9,627,235)</u>	<u>–</u>	<u>–</u>
	<u>(8,308,573)</u>	<u>(8,329,385)</u>	<u>–</u>	<u>–</u>

26. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £140,576 (2015: £167,183).

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

27. Financial instruments

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

Financial assets that are debt instruments measured at amortised cost

	Group	
	4 Dec 16	29 Nov 15
	£	£
Financial assets that are debt instruments measured at amortised cost	29,296,851	13,328,425

Financial liabilities measured at amortised cost

	Group	
	4 Dec 16	29 Nov 15
	£	£
Financial liabilities measured at amortised cost	151,834,366	139,506,568

28. Called up share capital

Issued, called up and fully paid

	4 Dec 16		29 Nov 15	
	No.	£	No.	£
Ordinary shares of £1 each	610,600	610,600	610,600	610,600

29. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

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

Merger reserve - This reserve reflects the difference between the cost of investment and the nominal value of share capital acquired in the group reorganisation.

n30. Operating leases

30. Operating leases

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

	Group		Company	
	4 Dec 16	29 Nov 15	4 Dec 16	29 Nov 15
	£	£	£	£
Not later than 1 year	2,923,900	3,940,038	—	—
Later than 1 year and not later than 5 years	9,416,678	14,197,831	—	—
Later than 5 years	15,962,225	22,202,277	—	—
	28,302,803	40,340,146	—	—

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

31. Director's advances, credits and guarantees

During the period the director entered into the following advances and credits with the company and its subsidiary undertakings:

	4 Dec 16			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mrs L E Herbert	(831,976)	(1,826,480)	2,730,000	71,544

	29 Nov 15			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mrs L E Herbert	—	(831,976)	—	(831,976)

Banner Dell Limited

Notes to the Financial Statements *(continued)*

Period from 30 November 2015 to 4 December 2016

32. Related party transactions

Control

Mrs L E Herbert is the shareholder of Banner Dell Limited and as such is considered to be the ultimate controlling party of the group and the company.

Transactions

The company has taken advantage of the exemption from disclosing related party transactions with group companies, in accordance with FRS 102 'The Financial Reporting Standard applicable to the UK and the Republic of Ireland', Section 33 Related Party Disclosures.

Herbel Pension Scheme

Mrs L E Herbert, director of the company, and Mr M A Herbert are trustees of the Herbel Pension Scheme.

The Herbel Pension Scheme owns properties which are occupied by group companies and are used as retail outlets. The rentals paid to the Herbel Pension Scheme during the period were £189,348 (2015: £189,348). The director has obtained advice from chartered surveyors and valuers to ensure that the amounts payable regarding rentals reflect open market values.

At the balance sheet date, the Herbel Pension Scheme was owed £4,073 by Treetops Securities Limited (29 November 2015: £Nil).

At the balance sheet date, Herbel Restaurants Limited was owed £13,006 from the Herbel Pension Scheme (29 November 2015: £Nil).