Company registration number: NI027644

J.M.C. Restaurants Limited

Financial statements

31 December 2019

J.M.C. Restaurants Limited

Contents

J.M.C. Restaurants Limited

Directors and other information

Directors	John McCollum Orna McCollum
Secretary	Orna McCollum
Company number	NI027644
Registered office	McDonalds Restaurant Sprucefield Hillsborough Road Lisburn BT27 5QN
Auditor	Hill Vellacott 22 Great Victoria Street Belfast BT2 7BA

Bankers	HSBC Harvester House 4-8 Adelaide Street Belfast BT2 8GE
Solicitors	A & L Goodbody 6th Floor 42-46 Fountain Street Belfast BT1 5EF

J.M.C. Restaurants Limited

Strategic report

Year ended 31 December 2019

Review of the business

The principal activity of the company is to carry on and develop the trade of McDonalds Restaurants.

Results and performance

Given the current economic climate, the directors are pleased with the performance in the year and are optimistic as to future prospects. There were no further refurbishment works undertaken in the year and all stores continue to see sales growth as a result of these investments.

Risk management

Effective risk management is a strategic imperative and is a key consideration when making future business

decisions for the company.

The directors monitor potential business risks and endeavour to manage those risks through appropriate means including employee involvement, robust financial and business controls and policies. The directors feel

the main financial risk lies in changing consumer trends. The company aims to remain competitive in the fast food market by adapting to consumer demands and continually evolving their product range to suit these demands.

Key Performance indicators (KPI's)

The company has the key performance indicators (KPI's) of increasing sales, gross margins and keeping overheads under control. The directors believe the company can meet the KPI's in the medium term.

This report was approved by the board of directors on 30 September 2020 and signed on behalf of the board by:

Orna McCollum

Director

The directors present their report and the financial statements of the company for the year ended 31 December 2019.

Directors

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

John McCollum
Orna McCollum

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Future developments

The company recognises the need to constantly review its market offering and will continue to invest and develop internal processes ensuring it maintains a competitive product offering to all customers.

Financial instruments

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 the directors have set out the business review and the financial risk management policy and objectives in the strategic report on page 2.

Directors responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and accounting estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Auditor

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

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

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 30 September 2020 and signed on behalf of the board by:

Orna McCollum

Director

Independent auditor's report to the members of

J.M.C. Restaurants Limited

Year ended 31 December 2019

Opinion

We have audited the financial statements of J.M.C. Restaurants Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters 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 the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Peter Gribben (Senior Statutory Auditor)

For and on behalf of

Hill Vellacott

Chartered Accountants and Registered Auditor

22 Great Victoria Street

Belfast

BT2 7BA

30 September 2020

J.M.C. Restaurants Limited

Statement of income and retained earnings

Year ended 31 December 2019

	Note	2019	2018
		£	£
Turnover	4	24,735,220	22,420,858
Cost of sales		(7,841,970)	(7,218,910)
Gross profit		16,893,250	15,201,948
Distribution costs		(9,305,234)	(8,664,769)
Administrative expenses		(6,035,041)	(5,914,634)
Operating profit	5	1,552,975	622,545
Interest payable and similar expenses	8	(150,110)	(139,250)
Profit before taxation		1,402,865	483,295
Tax on profit	9	(373,407)	(192,905)
Profit for the financial year and total comprehensive income		1,029,458	290,390
Dividends declared and paid or payable during the year	10	(19,047)	(259,176)
Retained earnings at the start of the year		921,192	889,978
Retained earnings at the end of the year		1,931,603	921,192

All the activities of the company are from continuing operations.

J.M.C. Restaurants Limited

Statement of financial position

31 December 2019

		2019		2018	
	Note	£	£	£	£
Fixed assets					
Intangible assets	11	3,364,020		3,823,610	
Tangible assets	12	5,563,187		5,921,318	
			8,927,207		9,744,928
Current assets					
Stocks	13	115,168		98,328	
Debtors	14	203,493		186,403	
Investments	15	7,500		7,500	
Cash at bank and in hand		1,966,474		1,412,018	
		2,292,635		1,704,249	
Creditors: amounts falling due within one year	17	(3,968,161)		(4,703,569)	
Net current liabilities			(1,675,526)		(2,999,320)
Total assets less current liabilities			7,251,681		6,745,608
Creditors: amounts falling due after more than one year	18		(5,002,493)		(5,553,073)
Provisions for liabilities	19		(316,585)		(270,343)
Net assets			1,932,603		922,192
Capital and reserves					
Called up share capital	23		1,000		1,000
Profit and loss account	24		1,931,603		921,192
Shareholders funds			1,932,603		922,192

These financial statements were approved by the board of directors and authorised for issue on 30 September 2020 , and are signed on behalf of the board by:

John McCollum

Director

Company registration number: NI027644

J.M.C. Restaurants Limited

Statement of cash flows

Year ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Profit for the financial year		1,029,458	290,390
Adjustments for:			
Depreciation of tangible assets		491,467	467,727
Amortisation of intangible assets		459,590	459,590
Interest payable and similar expenses		150,110	139,250
Gain/(loss) on disposal of tangible assets		-	340,678
Tax on profit		373,407	192,905
Accrued expenses/(income)		(948,398)	127,386
Changes in:			
Stocks		(16,840)	(3,407)
Trade and other debtors		(17,090)	11,132
Trade and other creditors		22,445	101,787
Cash generated from operations		1,544,149	2,127,438
Interest paid		(150,110)	(139,250)
Tax paid		(145,224)	(21,980)
Net cash from operating activities		1,248,815	1,966,208
Cash flows from investing activities			
Purchase of tangible assets		(133,336)	(2,382,386)
Net cash used in investing activities		(133,336)	(2,382,386)
Cash flows from financing activities			
Proceeds from borrowings		7,130,628	1,520,000
Repayments of borrowings		(7,672,604)	(1,262,121)
Equity dividends paid		(19,047)	(259,176)
Net cash used in financing activities		(561,023)	(1,297)
Net increase/(decrease) in cash and cash equivalents		554,456	(417,475)
Cash and cash equivalents at beginning of year	16	1,412,018	1,829,493
Cash and cash equivalents at end of year	16	1,966,474	1,412,018

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is McDonalds Restaurant, Sprucefield, Hillsborough Road, Lisburn, BT27 5QN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

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

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the companies interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill cannot be made, the life is presumed not to exceed ten years.

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 a revalued amount, 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 only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

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	-	10 % straight line
Franchise costs	-	5 % straight line

If there is an indication that there has been a significant change in the 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 are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Alterations to premises	-	5 % straight line
Plant and machinery	-	10 % straight line
Motor Vehicles	-	25 % straight line

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

Impairment

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

Stocks

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

Provisions

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

4. Turnover

Turnover arises from:

	2019	2018
	£	£
Product sales	24,251,148	21,940,637
Non product sales	484,072	480,221
	24,735,220	22,420,858

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

5. Operating profit

Operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Amortisation of intangible assets	459,590	459,590
Depreciation of tangible assets	491,467	467,727
(Gain)/loss on disposal of tangible assets	-	340,678
Impairment of trade debtors	6,394	1,013
Operating lease rentals	9,884	10,338
Foreign exchange differences	(1,365)	(1,379)
Fees payable for the audit of the financial statements	6,960	8,500

6. Staff costs

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

	2019	2018
Production staff	736	718
Administrative staff	30	29
	766	747

The aggregate payroll costs incurred during the year were:

	2019	2018
	£	£
Wages and salaries	6,709,604	6,297,977
Social security costs	296,956	261,887
Other pension costs	82,124	58,951
	7,088,684	6,618,815

7. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	85,000	75,000

8. Interest payable and similar expenses

	2019	2018
	£	£
Bank loans and overdrafts	150,110	139,250

9. Tax on profit

Major components of tax expense

	2019	2018
	£	£
Current tax:		
UK current tax expense	327,165	145,224
Deferred tax:		
Origination and reversal of timing differences	46,242	47,681
Tax on profit	373,407	192,905

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.00 % (2018: 19.00%).

	2019	2018
	£	£
Profit before taxation	1,402,865	483,295
Profit multiplied by rate of tax	266,544	91,826
Effect of expenses not deductible for tax purposes	159	-
Effect of capital allowances and depreciation	60,462	53,398
Deferred taxation	46,242	47,681
Tax on profit	373,407	192,905

10. Dividends

Equity dividends

	2019	2018
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	19,047	259,176

11. Intangible assets

	Goodwill	Patents, trademarks & licences	Total
	£	£	£
Cost			
At 1 January 2019 and 31 December 2019	4,552,250	87,303	4,639,553
Amortisation			
At 1 January 2019	798,063	17,880	815,943
Charge for the year	455,225	4,365	459,590
At 31 December 2019	1,253,288	22,245	1,275,533
Carrying amount			
At 31 December 2019	3,298,962	65,058	3,364,020
At 31 December 2018	3,754,187	69,423	3,823,610

12. Tangible assets

	Freehold property	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2019	5,104,619	1,852,812	7,440	6,964,871
Additions	31,429	101,907	-	133,336
Disposals	-	(44,341)	-	(44,341)
At 31 December 2019	5,136,048	1,910,378	7,440	7,053,866
Depreciation				
At 1 January 2019	500,240	535,873	7,440	1,043,553
Charge for the year	256,802	234,665	-	491,467
Disposals	-	(44,341)	-	(44,341)
At 31 December 2019	757,042	726,197	7,440	1,490,679
Carrying amount				
At 31 December 2019	4,379,006	1,184,181	-	5,563,187
At 31 December 2018	4,604,379	1,316,939	-	5,921,318

13. Stocks

	2019	2018
	£	£
Finished goods	115,168	98,328

14. Debtors

	2019	2018
	£	£
Trade debtors	7,058	7,779
Prepayments and accrued income	138,836	126,025
Other debtors	57,599	52,599
	203,493	186,403

15. Investments

	2019	2018
	£	£
Investments in group undertakings	7,500	7,500

16. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	1,966,474	1,412,018

17. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	1,395,901	1,387,297
Trade creditors	999,449	1,032,912
Accruals and deferred income	462,989	1,411,387
Corporation tax	327,165	145,224
Social security and other taxes	720,512	664,604
Other creditors	62,145	62,145
	3,968,161	4,703,569

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

	2019	2018
	£	£
Bank loans and overdrafts	5,002,493	5,553,073

19. Provisions

	Deferred tax (note 20)	**Total**
	£	**£**
At 1 January 2019	270,343	270,343
Additions	46,242	46,242
At 31 December 2019	316,585	316,585

20. Deferred tax

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

	2019	2018
	£	£
Included in provisions (note 19)	316,585	270,343

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

	2019	2018
	£	£
Accelerated capital allowances	316,585	270,343

21. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £ 82,124 (2018: £ 58,951).

22. Financial instruments

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

	2019	2018
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	7,058	7,779
Other debtors	57,599	52,599
Cash at bank and in hand	1,966,474	1,412,018
	2,031,131	1,472,396
Financial liabilities measured at amortised cost		
Bank and other loans	6,398,395	6,940,370
Trade creditors	999,449	1,032,912
Other creditors	62,145	62,145
	7,459,989	8,035,427

23. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No	**£**	No	£
Ordinary shares shares of £ 1.00 each	1,000	1,000	1,000	1,000

24. Reserves

The reserves are an accumulation of historical profits and losses.

25. Analysis of changes in net debt

	At 1 January 2019	Cash flows	At 31 December 2019
	£	**£**	**£**
Cash and cash equivalents	1,412,018	554,456	1,966,474
Debt due within one year	(1,387,297)	(8,604)	(1,395,901)
Debt due after one year	(5,553,073)	550,580	(5,002,493)
Current asset investments	7,500	-	7,500
	(5,520,852)	1,096,432	(4,424,420)

26. Operating leases

The company as lessee

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

	£	£
Not later than 1 year	5,482	9,884
Later than 1 year and not later than 5 years	-	5,482
	5,482	15,366

27. Related party transactions

The director, John McCollum , received dividends of £14,285 (2018:£194,382) during the year. The director, Orna McCollum , received dividends of £4,762 (2018:£64,794) during the year. At the year end Orna McCollum owed the company £52,599 (2018:£52,599). The loan is unsecured, interest free and repayable on demand.

28. Key management personnel

The directors are the key management personnel of the company. Their remuneration is disclosed in note 7.