

Abbreviated Accounts
for the Year Ended 31 December 2014
for
LEVEN VALE RESTAURANTS LIMITED

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for the Year Ended 31 December 2014**

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LEVEN VALE RESTAURANTS LIMITED

**Company Information
for the Year Ended 31 December 2014**

DIRECTORS:

S W Tomlin
Mrs D M Tomlin

REGISTERED OFFICE:

12 Britannia Way
Clyde Shopping Centre
Clydebank
West Dunbartonshire
G81 2RZ

REGISTERED NUMBER:

SC153540 (Scotland)

AUDITORS:

WDM Associates (Statutory Auditors)
Oakfield House
378 Brandon Street
Motherwell
ML1 1XA

Strategic Report
for the Year Ended 31 December 2014

The directors present their strategic report for the year ended 31 December 2014.

REVIEW OF BUSINESS

The results for the year show an operating profit of £205,508 (2013 £174,101)

PRINCIPAL RISKS AND UNCERTAINTIES

We believe that the company can meet its key business risks of competition. In addition, it is McDonalds policy to monitor each stores performance on a monthly basis to manage these risks.

FUTURE OUTLOOK

The company has plans to invest £350,000 to re-image and modernise one of the 6 stores, commencing in November 2015. This will be part of the McDonalds " Shop of the Future " program.

A further 2 stores will be re-imaged in 2016, 2 in 2017 and the last store in 2018, a total anticipated investment of £2m.

This will result in improved customer service and a greater choice of chicken and premium beef options.

The stores will also encourage more card payments, and remote ordering via Apps. A further £25,000 will be invested on staff training to manage these new improvements.

We believe that the company is well positioned to strengthen its position in the market place.

ON BEHALF OF THE BOARD: *S. W. Tomlin*

SW Tomlin
.....
Director

Date: *13/4/15*
.....

LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)

**Report of the Directors
for the Year Ended 31 December 2014**

The directors present their report with the accounts of the company for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of restaurant proprietors.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

S W Tomlin
Mrs D M Tomlin

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)

Report of the Directors
for the Year Ended 31 December 2014

AUDITORS

The auditors, WDM Associates (Statutory Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD: *S. W. Tomlin.*

Stephen W
.....
Director

Date: *13/4/15*
.....

**Report of the Independent Auditors to
Leven Vale Restaurants Limited
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages six to eighteen, together with the full financial statements of Leven Vale Restaurants Limited for the year ended 31 December 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



G Bonomy (Senior Statutory Auditor)
for and on behalf of WDM Associates (Statutory Auditors)
Oakfield House
378 Brandon Street
Motherwell
ML1 1XA

Date: 13/4/15

LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)

**Abbreviated Profit and Loss Account
for the Year Ended 31 December 2014**

	Notes	2014 £	2013 £
TURNOVER		13,174,806	9,928,077
Cost of sales		(4,080,798)	(3,137,698)
		<hr/>	<hr/>
		9,094,008	6,790,379
Administrative expenses		8,888,500	6,616,278
		<hr/>	<hr/>
OPERATING PROFIT	3	205,508	174,101
Interest receivable and similar income		379	458
		<hr/>	<hr/>
		205,887	174,559
Interest payable and similar charges	4	20,893	16,585
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		184,994	157,974
Tax on profit on ordinary activities	5	38,003	89,697
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		<u>146,991</u>	<u>68,277</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)

**Abbreviated Balance Sheet
31 December 2014**

		2014		2013	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	6		1,417,070		1,474,397
Tangible assets	7		1,486,641		1,518,908
Investments	8		1,300		4,400
			<u>2,905,011</u>		<u>2,997,705</u>
CURRENT ASSETS					
Stocks	9	60,213		70,186	
Debtors	10	23,648		16,581	
Cash at bank and in hand		428,728		579,533	
		<u>512,589</u>		<u>666,300</u>	
CREDITORS					
Amounts falling due within one year	11	2,138,879		2,387,312	
		<u>2,138,879</u>		<u>2,387,312</u>	
NET CURRENT LIABILITIES			<u>(1,626,290)</u>		<u>(1,721,012)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,278,721		1,276,693
CREDITORS					
Amounts falling due after more than one year	12		(523,713)		(691,065)
PROVISIONS FOR LIABILITIES	15		(155,582)		(133,193)
			<u>(155,582)</u>		<u>(133,193)</u>
NET ASSETS			<u>599,426</u>		<u>452,435</u>
CAPITAL AND RESERVES					
Called up share capital	16		100		100
Profit and loss account	17		599,326		452,335
			<u>599,326</u>		<u>452,335</u>
SHAREHOLDERS' FUNDS	20		<u>599,426</u>		<u>452,435</u>

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet - continued
31 December 2014

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 13/4/15 and were signed on its behalf by:



S W Tomlin - Director



Mrs D M Tomlin - Director

LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)

Cash Flow Statement
for the Year Ended 31 December 2014

		2014		2013	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		782,859		846,715
Returns on investments and servicing of finance	2		(20,514)		(16,127)
Taxation			(2,846)		(34,530)
Capital expenditure and financial investment	2		(479,719)		(2,412,675)
			279,780		(1,616,617)
Financing	2		(345,131)		1,668,647
(Decrease)/increase in cash in the period			(65,351)		52,030
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period		(65,351)		52,030	
Cash outflow/(inflow) from decrease/(increase) in debt		204,266		(622,516)	
Change in net debt resulting from cash flows			138,915		(570,486)
Movement in net debt in the period			138,915		(570,486)
Net debt at 1 January			(704,938)		(134,452)
Net debt at 31 December			(566,023)		(704,938)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 December 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Operating profit	205,508	174,101
Depreciation charges	572,413	375,642
Decrease/(increase) in stocks	9,973	(37,786)
Increase in debtors	(7,067)	(9,226)
Increase in creditors	2,032	343,984
Net cash inflow from operating activities	782,859	846,715

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	379	458
Interest paid	(20,893)	(16,585)
Net cash outflow for returns on investments and servicing of finance	(20,514)	(16,127)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(30,000)	(1,386,565)
Purchase of tangible fixed assets	(449,719)	(1,022,360)
Purchase of fixed asset investments	-	(3,750)
Net cash outflow for capital expenditure and financial investment	(479,719)	(2,412,675)
Financing		
New loans in year	200,000	880,000
Loan repayments in year	(404,266)	(257,482)
Amount introduced by directors	-	1,341,537
Amount withdrawn by directors	(140,865)	(295,408)
Net cash (outflow)/inflow from financing	(345,131)	1,668,647

Notes to the Cash Flow Statement
for the Year Ended 31 December 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.14 £	Cash flow £	At 31.12.14 £
Net cash:			
Cash at bank and in hand	579,533	(150,805)	428,728
Bank overdraft	(198,003)	85,454	(112,549)
	<u>381,530</u>	<u>(65,351)</u>	<u>316,179</u>
Debt:			
Debts falling due within one year	(395,403)	36,914	(358,489)
Debts falling due after one year	(691,065)	167,352	(523,713)
	<u>(1,086,468)</u>	<u>204,266</u>	<u>(882,202)</u>
Total	<u>(704,938)</u>	<u>138,915</u>	<u>(566,023)</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 December 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1995, is being amortised evenly over its estimated useful life of twenty years.

Further goodwill, being the amount paid in connection with the purchase of a business in 2004, is being written off evenly over its estimated useful life of twenty years.

Goodwill purchased in 2013 is being written off over 10 years over the remaining term of the franchise agreement.

Other intangible asset

The Captive Insurance Scheme Share Purchase was purchased in 2001 and has to be written off over the remainder of the franchise term. It is therefore being written off evenly over 15 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	- 10% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 15% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Provision is made for deferred taxation in so far as a liability or asset arose as a result of transactions that had occurred by the balance sheet date and gave rise to an obligation to pay more tax in the future, or a right to pay less tax in the future with the following exception: Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

2. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	3,637,474	2,672,364
Social security costs	170,912	131,396
Other pension costs	50,822	31,434
	<u>3,859,208</u>	<u>2,835,194</u>

The average monthly number of employees during the year was as follows:

2014	2013
<u> </u>	<u> </u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£	£
Depreciation - owned assets	481,986	290,496
Goodwill amortisation	79,577	79,578
Franchise fee amortisation	7,750	4,500
Auditors' remuneration	7,300	9,000
	<u>56,000</u>	<u>47,250</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Bank interest	1,256	488
Bank loan interest	19,637	16,097
	<u>20,893</u>	<u>16,585</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	15,614	2,846
Deferred tax	22,389	86,851
Tax on profit on ordinary activities	<u>38,003</u>	<u>89,697</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

6. INTANGIBLE FIXED ASSETS

	Goodwill £	Franchise fee £	Totals £
COST			
At 1 January 2014	1,591,538	90,000	1,681,538
Additions	-	30,000	30,000
At 31 December 2014	1,591,538	120,000	1,711,538
AMORTISATION			
At 1 January 2014	200,856	6,285	207,141
Amortisation for year	79,577	7,750	87,327
At 31 December 2014	280,433	14,035	294,468
NET BOOK VALUE			
At 31 December 2014	1,311,105	105,965	1,417,070
At 31 December 2013	1,390,682	83,715	1,474,397

7. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2014	1,550,092	1,039,416	18,505	2,608,013
Additions	120,383	328,454	882	449,719
At 31 December 2014	1,670,475	1,367,870	19,387	3,057,732
DEPRECIATION				
At 1 January 2014	689,807	381,520	17,778	1,089,105
Charge for year	232,168	249,476	342	481,986
At 31 December 2014	921,975	630,996	18,120	1,571,091
NET BOOK VALUE				
At 31 December 2014	748,500	736,874	1,267	1,486,641
At 31 December 2013	860,285	657,896	727	1,518,908

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

8. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2014 and 31 December 2014	<u>7,500</u>
PROVISIONS	
At 1 January 2014	3,100
Provision for year	<u>3,100</u>
At 31 December 2014	<u>6,200</u>
NET BOOK VALUE	
At 31 December 2014	<u>1,300</u>
At 31 December 2013	<u>4,400</u>

9. STOCKS

	2014 £	2013 £
Goods for resale	<u>60,213</u>	<u>70,186</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	1,456	1,192
Prepayments	<u>22,192</u>	<u>15,389</u>
	<u>23,648</u>	<u>16,581</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Bank loans and overdrafts (see note 13)	471,038	593,406
Trade creditors	33,763	46,856
Tax	15,342	2,574
Social security and other taxes	48,739	1,749
VAT	266,635	269,561
Other creditors	5,850	4,699
Directors' current accounts	907,225	1,048,090
Accrued expenses	<u>390,287</u>	<u>420,377</u>
	<u>2,138,879</u>	<u>2,387,312</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014	2013
	£	£
Bank loans (see note 13)	<u>523,713</u>	<u>691,065</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2014	2013
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	112,549	198,003
Bank loans	<u>358,489</u>	<u>395,403</u>
	<u>471,038</u>	<u>593,406</u>

Amounts falling due between one and two years:

Bank loans - 1-2 years	<u>257,312</u>	<u>315,387</u>
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Amounts falling due between two and five years:

Bank loans - 2-5 years	<u>262,746</u>	<u>340,887</u>
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Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>3,655</u>	<u>34,791</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	2014	2013
	£	£
Bank overdrafts	112,549	198,003
Bank loans	<u>882,202</u>	<u>1,086,468</u>
	<u>994,751</u>	<u>1,284,471</u>

The bank overdraft and loan are secured by a bond and floating charge over the whole of the assets of the company.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

15. PROVISIONS FOR LIABILITIES

	2014 £	2013 £
Deferred tax		
Accelerated capital allowances	109,240	86,851
Deferred tax	46,342	46,342
	<u>155,582</u>	<u>133,193</u>
		Deferred tax £
Balance at 1 January 2014		133,193
Provided during year		22,389
Capital allowances in excess of related depreciation		
Balance at 31 December 2014		<u>155,582</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2014	2013
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

17. RESERVES

	Profit and loss account £
At 1 January 2014	452,335
Profit for the year	<u>146,991</u>
At 31 December 2014	<u>599,326</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2014

18. RELATED PARTY DISCLOSURES

McDonalds in Balloch, Clydebank and Clydebank Drive-Thru are owned personally by director, S W Tomlin. During the year to 31 December 2013, invoices totalling £132,151 were invoiced to the Clydebank stores by Leven Vale Restaurants Limited. Amounts outstanding from these stores at the balance sheet date was £nil.

During the year to 31 December 2013 Invoices totalling £19,812 were received from these Clydebank stores to Leven Vale Restaurants Limited. Amounts due to these stores at the balance sheet date was £nil.

Leven Vale Restaurant also purchased these 3 McDonalds stores from S W Tomlin on 1 July 2013. The total consideration made was £1,326,565 for Goodwill, £60,000 Franchise Fee and £752,076 for Tangible Fixed Assets.

19. ULTIMATE CONTROLLING PARTY

The company was under the control of both shareholders, S & D Tomlin, throughout the whole year.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	146,991	68,277
Net addition to shareholders' funds	146,991	68,277
Opening shareholders' funds	452,435	384,158
Closing shareholders' funds	599,426	452,435