

Strategic Report,  
Report of the Directors and  
Financial Statements  
for the Year Ended  
31 December 2017

for

LEVEN VALE RESTAURANTS LIMITED

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for the Year Ended 31 December 2017**

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**LEVEN VALE RESTAURANTS LIMITED**

**Company Information**  
**for the Year Ended 31 December 2017**

**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

**BANKERS:**

HSBC  
2 Buchanan Street  
Glasgow  
G1 3LB

**Strategic Report  
for the Year Ended 31 December 2017**

The directors present their strategic report for the year ended 31 December 2017.

**REVIEW OF BUSINESS**

The results for the year show an operating loss of £(441,218) (2016 profit £310,655)

**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 opened a new restaurant in March 2017 bringing the total number of restaurants operated to seven.

The modernisation of the existing restaurants continued with over £2m invested, which began in 2015. This being part of the McDonald's "Restaurant of the Future" programme.

The last remaining two restaurants will be closed and modernised in 2018 giving a total anticipated investment of over £3m.

This will result in an improved customer experience; Greater choice in the menu range. Quicker service in the expanded Drive-Thru lanes. The option for remote ordering on the new mobile App.

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

**ON BEHALF OF THE BOARD:**



S W Tomlin - Director

26 March 2018

**Report of the Directors  
for the Year Ended 31 December 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**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 2017.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

S W Tomlin  
Mrs D M Tomlin

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 2017**

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'S W Tomlin', is written over a faint horizontal line.

S W Tomlin - Director

26 March 2018

## **Report of the Independent Auditors to the Members of Leven Vale Restaurants Limited**

### **Opinion**

We have audited the financial statements of Leven Vale Restaurants Limited (the 'company') for the year ended 31 December 2017 on pages seven to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

**Report of the Independent Auditors to the Members of  
Leven Vale Restaurants Limited**

**Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have 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 Report of the Directors.

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

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

**Our 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 a Report of the Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



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

26 March 2018



**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Income Statement  
for the Year Ended 31 December 2017**

|   | Notes | 2017<br>£               | 2016<br>£             |
|---|-------|-------------------------|-----------------------|
| <b>TURNOVER</b>                             |       | 17,203,329              | 15,114,487            |
| Cost of sales                               |       | <u>(5,214,936)</u>      | <u>(4,494,408)</u>    |
| <b>GROSS PROFIT</b>                         |       | 11,988,393              | 10,620,079            |
| Administrative expenses                     |       | <u>(12,429,611)</u>     | <u>(10,309,424)</u>   |
| <b>OPERATING (LOSS)/PROFIT</b>              | 4     | (441,218)               | 310,655               |
| Interest receivable and similar income      |       | <u>176</u>              | <u>1,585</u>          |
|   |       | (441,042)               | 312,240               |
| Interest payable and similar expenses       | 5     | <u>(35,320)</u>         | <u>(18,413)</u>       |
| <b>(LOSS)/PROFIT BEFORE TAXATION</b>        |       | (476,362)               | 293,827               |
| Tax on (loss)/profit                        | 6     | <u>65,262</u>           | <u>(58,765)</u>       |
| <b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b> |       | <u><u>(411,100)</u></u> | <u><u>235,062</u></u> |

The notes form part of these financial statements

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Other Comprehensive Income  
for the Year Ended 31 December 2017**

|  | Notes | 2017<br>£        | 2016<br>£      |
|--|-------|------------------|----------------|
| (LOSS)/PROFIT FOR THE YEAR                 |       | (411,100)        | 235,062        |
| OTHER COMPREHENSIVE INCOME                 |       | -                | -              |
| TOTAL COMPREHENSIVE INCOME FOR<br>THE YEAR |       | <u>(411,100)</u> | <u>235,062</u> |

The notes form part of these financial statements

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Statement of Financial Position  
31 December 2017**

|  | Notes | 2017<br>£             | 2016<br>£             |
|--|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                       |                       |
| Intangible assets                            | 7     | 1,003,906             | 1,108,428             |
| Tangible assets                              | 8     | 3,238,962             | 1,685,056             |
| Investments                                  | 9     | 1,250                 | -                     |
|  |       | <u>4,244,118</u>      | <u>2,793,484</u>      |
| <b>CURRENT ASSETS</b>                        |       |                       |                       |
| Stocks                                       | 10    | 83,339                | 60,113                |
| Debtors                                      | 11    | 107,024               | 22,556                |
| Cash at bank and in hand                     |       | 1,160,689             | 1,156,205             |
|  |       | <u>1,351,052</u>      | <u>1,238,874</u>      |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due within one year          | 12    | (2,075,735)           | (2,342,176)           |
| <b>NET CURRENT LIABILITIES</b>               |       | <u>(724,683)</u>      | <u>(1,103,302)</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>3,519,435</u>      | <u>1,690,182</u>      |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due after more than one year | 13    | (2,785,046)           | (561,280)             |
| <b>PROVISIONS FOR LIABILITIES</b>            | 16    | <u>(177,810)</u>      | <u>(161,223)</u>      |
| <b>NET ASSETS</b>                            |       | <u><u>556,579</u></u> | <u><u>967,679</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                       |                       |
| Called up share capital                      | 17    | 100                   | 100                   |
| Retained earnings                            | 18    | 556,479               | 967,579               |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u><u>556,579</u></u> | <u><u>967,679</u></u> |

The financial statements were approved by the Board of Directors on 26 March 2018 and were signed on its behalf by:



S W Tomlin - Director



Mrs D M Tomlin - Director

The notes form part of these financial statements

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Statement of Changes in Equity  
for the Year Ended 31 December 2017**

|                             | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|-----------------------------|------------------------------------|---------------------------|----------------------|
| Balance at 1 January 2016   | 100                                | 732,517                   | 732,617              |
| Changes in equity           |                                    |                           |                      |
| Total comprehensive income  | -                                  | 235,062                   | 235,062              |
| Balance at 31 December 2016 | 100                                | 967,579                   | 967,679              |
| Changes in equity           |                                    |                           |                      |
| Total comprehensive income  | -                                  | (411,100)                 | (411,100)            |
| Balance at 31 December 2017 | 100                                | 556,479                   | 556,579              |

The notes form part of these financial statements

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Statement of Cash Flows  
for the Year Ended 31 December 2017**

|   | Notes | 2017<br>£               | 2016<br>£               |
|---|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>           |       |                         |                         |
| Cash generated from operations                        | 1     | (74,462)                | 1,356,842               |
| Interest paid   |       | (35,320)                | (18,413)                |
| Tax paid  |       | (81,849)                | (4,965)                 |
| Net cash from operating activities                    |       | <u>(191,631)</u>        | <u>1,333,464</u>        |
| <b>Cash flows from investing activities</b>           |       |                         |                         |
| Purchase of intangible fixed assets                   |       | (51,907)                | -                       |
| Purchase of tangible fixed assets                     |       | (2,186,806)             | (568,277)               |
| Purchase of fixed asset investments                   |       | (1,250)                 | -                       |
| Interest received                                     |       | 176                     | 1,585                   |
| Net cash from investing activities                    |       | <u>(2,239,787)</u>      | <u>(566,692)</u>        |
| <b>Cash flows from financing activities</b>           |       |                         |                         |
| New loans in year                                     |       | 5,775,000               | -                       |
| Loan repayments in year                               |       | (3,111,857)             | (396,287)               |
| Amount introduced by directors                        |       | 88,168                  | 87,956                  |
| Amount withdrawn by directors                         |       | (293,428)               | (233,212)               |
| Net cash from financing activities                    |       | <u>2,457,883</u>        | <u>(541,543)</u>        |
| <b>Increase in cash and cash equivalents</b>          |       | <u>26,465</u>           | <u>225,229</u>          |
| <b>Cash and cash equivalents at beginning of year</b> | 2     | 1,100,814               | 875,585                 |
| <b>Cash and cash equivalents at end of year</b>       | 2     | <u><u>1,127,279</u></u> | <u><u>1,100,814</u></u> |

The notes form part of these financial statements

Notes to the Statement of Cash Flows  
for the Year Ended 31 December 2017

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

|  | 2017            | 2016             |
|--|-----------------|------------------|
|  | £               | £                |
| (Loss)/profit before taxation                    | (476,362)       | 293,827          |
| Depreciation charges                             | 789,339         | 662,838          |
| Finance costs                                    | 35,320          | 18,413           |
| Finance income                                   | (176)           | (1,585)          |
|  | <u>348,121</u>  | <u>973,493</u>   |
| (Increase)/decrease in stocks                    | (23,226)        | 2,752            |
| (Increase)/decrease in trade and other debtors   | (2,619)         | 4,210            |
| (Decrease)/increase in trade and other creditors | (396,738)       | 376,387          |
|  | <u>(74,462)</u> | <u>1,356,842</u> |
| <b>Cash generated from operations</b>            |                 |                  |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2017

|                           | 31.12.17         | 1.1.17           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | 1,160,689        | 1,156,205        |
| Bank overdrafts           | (33,410)         | (55,391)         |
|                           | <u>1,127,279</u> | <u>1,100,814</u> |

Year ended 31 December 2016

|                           | 31.12.16         | 1.1.16         |
|---------------------------|------------------|----------------|
|                           | £                | £              |
| Cash and cash equivalents | 1,156,205        | 933,804        |
| Bank overdrafts           | (55,391)         | (58,219)       |
|                           | <u>1,100,814</u> | <u>875,585</u> |

**Notes to the Financial Statements  
for the Year Ended 31 December 2017**

**1. STATUTORY INFORMATION**

Leven Vale Restaurants Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**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.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Franchise fee are being amortised evenly over their estimated useful life of nil years.

**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.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**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 profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

|                       | 2017<br>£        | 2016<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 5,395,636        | 4,282,478        |
| Social security costs | 218,502          | 156,750          |
| Other pension costs   | 77,826           | 64,597           |
|                       | <u>5,691,964</u> | <u>4,503,825</u> |

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

|           | 2017       | 2016       |
|-----------|------------|------------|
| Directors | 2          | 2          |
| Managers  | 34         | 20         |
| Staff     | 537        | 462        |
|           | <u>573</u> | <u>484</u> |

|                         | 2017<br>£     | 2016<br>£     |
|-------------------------|---------------|---------------|
| Directors' remuneration | <u>56,000</u> | <u>56,000</u> |



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

4. OPERATING (LOSS)/PROFIT

The operating loss (2016 - operating profit) is stated after charging:

|                             | 2017           | 2016           |
|-----------------------------|----------------|----------------|
|                             | £              | £              |
| Depreciation - owned assets | 632,900        | 508,356        |
| Goodwill amortisation       | 143,982        | 143,982        |
| Franchise fee amortisation  | 12,447         | 10,500         |
| Auditors' remuneration      | 8,025          | 7,660          |
|                             | <u>697,354</u> | <u>670,500</u> |

5. INTEREST PAYABLE AND SIMILAR EXPENSES

|                    | 2017          | 2016          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Bank loan interest | <u>35,320</u> | <u>18,413</u> |

6. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

|                               | 2017            | 2016            |
|-------------------------------|-----------------|-----------------|
|                               | £               | £               |
| Current tax:                  |                 |                 |
| UK corporation tax            | -               | 81,849          |
| Over provision for prior year | <u>(81,849)</u> | <u>-</u>        |
| Total current tax             | <u>(81,849)</u> | <u>81,849</u>   |
| Deferred tax                  | <u>16,587</u>   | <u>(23,084)</u> |
| Tax on (loss)/profit          | <u>(65,262)</u> | <u>58,765</u>   |

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

7. INTANGIBLE FIXED ASSETS

|                       | Goodwill<br>£ | Franchise<br>fee<br>£ | Totals<br>£ |
|-----------------------|---------------|-----------------------|-------------|
| <b>COST</b>           |               |                       |             |
| At 1 January 2017     | 1,591,538     | 120,000               | 1,711,538   |
| Additions             | -             | 51,907                | 51,907      |
| At 31 December 2017   | 1,591,538     | 171,907               | 1,763,445   |
| <b>AMORTISATION</b>   |               |                       |             |
| At 1 January 2017     | 568,075       | 35,035                | 603,110     |
| Amortisation for year | 143,982       | 12,447                | 156,429     |
| At 31 December 2017   | 712,057       | 47,482                | 759,539     |
| <b>NET BOOK VALUE</b> |               |                       |             |
| At 31 December 2017   | 879,481       | 124,425               | 1,003,906   |
| At 31 December 2016   | 1,023,463     | 84,965                | 1,108,428   |

8. TANGIBLE FIXED ASSETS

|                       | Equipment<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£ |
|-----------------------|----------------|----------------------------------|----------------------------|-------------|
| <b>COST</b>           |                |                                  |                            |             |
| At 1 January 2017     | 2,171,972      | 2,046,611                        | 19,387                     | 4,237,970   |
| Additions             | 421,137        | 1,764,836                        | 833                        | 2,186,806   |
| At 31 December 2017   | 2,593,109      | 3,811,447                        | 20,220                     | 6,424,776   |
| <b>DEPRECIATION</b>   |                |                                  |                            |             |
| At 1 January 2017     | 1,345,749      | 1,188,174                        | 18,991                     | 2,552,914   |
| Charge for year       | 256,861        | 375,654                          | 385                        | 632,900     |
| At 31 December 2017   | 1,602,610      | 1,563,828                        | 19,376                     | 3,185,814   |
| <b>NET BOOK VALUE</b> |                |                                  |                            |             |
| At 31 December 2017   | 990,499        | 2,247,619                        | 844                        | 3,238,962   |
| At 31 December 2016   | 826,223        | 858,437                          | 396                        | 1,685,056   |

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

9. FIXED ASSET INVESTMENTS

|   | Unlisted<br>investments<br>£ |
|---|------------------------------|
| <b>COST</b>                               |                              |
| At 1 January 2017                         | 7,500                        |
| Additions                                 | 1,250                        |
|   | <hr/>                        |
| At 31 December 2017                       | 8,750                        |
|   | <hr/>                        |
| <b>PROVISIONS</b>                         |                              |
| At 1 January 2017<br>and 31 December 2017 | 7,500                        |
|   | <hr/>                        |
| <b>NET BOOK VALUE</b>                     |                              |
| At 31 December 2017                       | 1,250                        |
|   | <hr/>                        |
| At 31 December 2016                       | -                            |
|   | <hr/>                        |

10. STOCKS

|                  | 2017<br>£ | 2016<br>£ |
|------------------|-----------|-----------|
| Goods for resale | 83,339    | 60,113    |
|                  | <hr/>     | <hr/>     |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                        | 2017<br>£ | 2016<br>£ |
|------------------------|-----------|-----------|
| Trade debtors          | 2,797     | 3,404     |
| Corporation tax refund | 81,849    | -         |
| Prepayments            | 22,378    | 19,152    |
|                        | <hr/>     | <hr/>     |
|                        | 107,024   | 22,556    |
|                        | <hr/>     | <hr/>     |

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| Bank loans and overdrafts (see note 14) | 683,496   | 266,090   |
| Trade creditors                         | 513,687   | 862,819   |
| Tax                                     | -         | 81,849    |
| Social security and other taxes         | 6,760     | 5,961     |
| VAT                                     | 289,667   | 176,941   |
| Other creditors                         | 10,264    | 11,690    |
| Directors' current accounts             | 242,223   | 447,483   |
| Accrued expenses                        | 329,638   | 489,343   |
|   | <hr/>     | <hr/>     |
|   | 2,075,735 | 2,342,176 |
|   | <hr/>     | <hr/>     |

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017**

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                          | 2017      | 2016    |
|--------------------------|-----------|---------|
|                          | £         | £       |
| Bank loans (see note 14) | 2,785,046 | 561,280 |

**14. LOANS**

An analysis of the maturity of loans is given below:

|   | 2017           | 2016           |
|---|----------------|----------------|
|   | £              | £              |
| Amounts falling due within one year or on demand: |                |                |
| Bank overdrafts                                   | 33,410         | 55,391         |
| Bank loans  | 650,086        | 210,699        |
|   | <u>683,496</u> | <u>266,090</u> |

Amounts falling due between one and two years:

|                        |                |                |
|------------------------|----------------|----------------|
| Bank loans - 1-2 years | <u>650,086</u> | <u>184,670</u> |
|------------------------|----------------|----------------|

Amounts falling due between two and five years:

|                        |                  |                |
|------------------------|------------------|----------------|
| Bank loans - 2-5 years | <u>2,134,960</u> | <u>376,610</u> |
|------------------------|------------------|----------------|

**15. SECURED DEBTS**

The following secured debts are included within creditors:

|                 | 2017             | 2016           |
|-----------------|------------------|----------------|
|                 | £                | £              |
| Bank overdrafts | 33,410           | 55,391         |
| Bank loans      | 3,435,132        | 771,979        |
|                 | <u>3,468,542</u> | <u>827,370</u> |

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

**16. PROVISIONS FOR LIABILITIES**

|                                | 2017           | 2016           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Deferred tax                   |                |                |
| Accelerated capital allowances | <u>177,810</u> | <u>161,223</u> |

**LEVEN VALE RESTAURANTS LIMITED (REGISTERED NUMBER: SC153540)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017**

**16. PROVISIONS FOR LIABILITIES - continued**

|   | Deferred<br>tax<br>£  |
|---|-----------------------|
| Balance at 1 January 2017                               | 161,223               |
| Capital allowances in excess<br>of related depreciation | <u>16,587</u>         |
| Balance at 31 December 2017                             | <u><u>177,810</u></u> |

**17. CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |          | Nominal<br>value:<br>£1 | 2017<br>£  | 2016<br>£  |
|----------------------------------|----------|-------------------------|------------|------------|
| Number:                          | Class:   |                         |            |            |
| 100                              | Ordinary |                         | <u>100</u> | <u>100</u> |

**18. RESERVES**

|                      | Retained<br>earnings<br>£ |
|----------------------|---------------------------|
| At 1 January 2017    | 967,579                   |
| Deficit for the year | <u>(411,100)</u>          |
| At 31 December 2017  | <u><u>556,479</u></u>     |

**19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits repayable on demand to a director subsisted during the years ended 31 December 2017 and 31 December 2016:

|                                      | 2017<br>£               | 2016<br>£               |
|--------------------------------------|-------------------------|-------------------------|
| <b>S W Tomlin</b>                    |                         |                         |
| Balance outstanding at start of year | (447,484)               | (592,739)               |
| Amounts advanced                     | 205,261                 | 233,212                 |
| Amounts repaid                       | -                       | (87,957)                |
| Amounts written off                  | -                       | -                       |
| Amounts waived                       | -                       | -                       |
| Balance outstanding at end of year   | <u><u>(242,223)</u></u> | <u><u>(447,484)</u></u> |

**20. ULTIMATE CONTROLLING PARTY**

The controlling party is S W Tomlin.

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