Registered number: SC440532

THE KITCHIN RESTAURANT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

COMPANY INFORMATION

Directors	T W Kitchin M B Kitchin R J M Kitchin P Y N Nublat V Southcott S Ranc
Registered number	SC440532
Registered office	Kitchin Head Office 108 Commercial Street Leith Edinburgh Scotland EH6 6NF
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

THE KITCHIN RESTAURANT LIMITED
REGISTERED NUMBER:SC440532

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note		2019 £		2018 £
Fixed assets					
Intangible assets	4		315,000		385,000
Tangible assets	5		692,411		826,427
			1,007,411		1,211,427
Current assets					
Stocks		128,296		109,345	
Debtors: amounts falling due within one year	6	547,684		312,907	
Cash at bank and in hand		417,340		577,928	
		1,093,320		1,000,180	
Creditors: amounts falling due within one year	7	(1,345,169)		(1,357,732)	
Net current liabilities			(251,849)		(357,552)
Total assets less current liabilities			755,562		853,875
Creditors: amounts falling due after more than one year	8		(232,436)		(357,727)
Provisions for liabilities					
Deferred tax		(78,580)		(95,864)	
			(78,580)		(95,864)
Net assets			444,546		400,284
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account			444,545		400,283
			444,546		400,284

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2019

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

V Southcott
Director

Date: 3 December 2019

M B Kitchin
Director

Date: 3 December 2019

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. General information

The Kitchin Restaurant Limited is limited by shares and incorporated in Scotland with registration number SC440532. The address of the registered office is 108 Commercial Street, Leith, Edinburgh, Scotland, EH6 6NF.

The financial statements are presented in Sterling which is the functional currency of the Company and rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.3 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Goodwill	-	10 % straight line

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Operating Equipment	-	25% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	33% straight line
Tenants Improvements	-	10% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of income and retained earnings.

2. Accounting policies (continued)

2.8 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 66 *(2018 - 53)*.

4. Intangible assets

	Goodwill
	£
Cost	
At 1 April 2018	**700,000**
At 31 March 2019	**700,000**
Amortisation	
At 1 April 2018	**315,000**
Charge for the year	**70,000**
At 31 March 2019	**385,000**
Net book value	
At 31 March 2019	**315,000**
At 31 March 2018	*385,000*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. Tangible fixed assets

	Operating Equipment	Fixtures and fittings	Office equipment	Tenants Improve-ments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2018	406,309	122,886	16,716	624,070	1,169,981
Additions	12,248	-	451	-	12,699
At 31 March 2019	418,557	122,886	17,167	624,070	1,182,680
Depreciation					
At 1 April 2018	111,148	73,765	11,269	147,372	343,554
Charge for the year on owned assets	58,265	22,999	3,044	62,407	146,715
At 31 March 2019	169,413	96,764	14,313	209,779	490,269
Net book value					
At 31 March 2019	249,144	26,122	2,854	414,291	692,411
At 31 March 2018	*295,161*	*49,121*	*5,447*	*476,698*	*826,427*

6. Debtors

	2019	*2018*
	£	*£*
Trade debtors	3,760	*3,878*
Amounts owed by group undertakings	517,359	*280,977*
Other debtors	3,922	*847*
Prepayments and accrued income	22,643	*27,205*
	547,684	*312,907*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	122,210	116,523
Trade creditors	162,053	115,958
Amounts owed to group undertakings	106,061	107,745
Other taxation and social security	167,240	180,130
Obligations under finance lease and hire purchase contracts	5,365	80,105
Other creditors	677,668	628,766
Accruals and deferred income	104,572	128,505
	1,345,169	1,357,732

Secured Loans

Bank loans and overdrafts are secured by a bond and floating charge over the company's assets and guarantee from its parent company, Tom Kitchin Limited. A letter of lien has also been provided over deposits in the sum of £150,000 held by the bank in the name of the company.

8. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	231,989	357,727
Net obligations under finance leases and hire purchase contracts	447	-
	232,436	357,727

Secured Loans

Bank loans and overdrafts are secured by a bond and floating charge over the company's assets and those of its parent company, Tom Kitchin Limited

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1 Ordinary share of £1.00	1	1

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Related Party Transactions

Included within net amounts due from/to group undertakings (see Note 6 and 7) is a loan due from Castle Terrace Restaurant Limited of £120,000 (2018 - £120,000) and a loan to Tom Kitchin Limited of £295,000 (2018 - £305,000). These loans are interest free and have no fixed repayment terms.

11. Controlling party

The Company is a wholly owned subsidiary of Tom Kitchin Limited, a Company registered in Scotland.