

DAVID PLUCK (NORTH WEST) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

Company Registration No. 01477372 (England and Wales)

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DAVID PLUCK (NORTH WEST) LIMITED

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DAVID PLUCK (NORTH WEST) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued profitability in the foreseeable future.

The management of the business and the execution of the company's strategy are subject to a number of risks. The key risk and future uncertainty relating to the business is potential changes in its regulatory environment. Other risks that the company may be subject to are detailed in the Directors' Report.

The number of betting shops operating at the 31st December 2013 was 38 (2012: 38). The company has continued to derive revenues from the operation of fixed odds betting terminals ("FOBT's") at its betting shops. The directors continue to monitor overhead spend with a view to preserving profitability.

Turnover has decreased by £2,058,226 representing a 5.6% decrease on the previous period.

Gross profit has increased by £184,056 representing an 2.3% increase on the previous period.

The company's operating profit has decreased compared with the previous year to £555,439 (2012: £792,348). The company's operating profit has been affected by the introduction of Machine Game Duty.

The directors continue to seek suitable opportunities for business expansion with 5 new shops to be opened in the next 12 months.



Mr F J Seymour
Director
19 June 2014

DAVID PLUCK (NORTH WEST) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Principal activities

The principal activity of the company in the year under review continued to be that of a turf accountant.

Results and dividends

The results for the year are set out on page 5.

Future developments

The directors routinely monitor the risks that the business faces in its day-to-day operations and appropriate actions are taken to mitigate these risks. The following risks are considered pertinent to the business:

General economic risk - as with any other bookmaker, the business (betting and gaming) is susceptible to the risk of an economic downturn adversely effecting disposable income. Management monitors this situation closely and makes special offers to customers as appropriate.

Competitor risk - betting and gaming businesses face competition in the main from other bookmakers, betting exchanges and other interactive gaming providers. Betting exchanges compete aggressively with prices offered by them frequently being more favourable than those offered by traditional bookmakers. Management, therefore continues to set prices on a commercial basis, taking into account these competitive pressures.

Bookmaking risk - the risk of incurring large losses on bets due to incorrect pricing is mitigated by there being upper limits on bets, monitoring of customers' betting patterns and the use of the latest information services available.

Regulatory risk - the regulatory, legislative and fiscal environment in which the company operates can change at short notice, leading to additional costs of compliance. The directors monitor this risk closely to ensure that they remain compliant with all enacted legislation and consider the costs of such compliance in their financial plans.

Directors

The following directors have held office since 1 January 2013:

Mr D L Pluck

Mr F J Seymour

Mr N Thompson

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

The auditors, Duncan Sheard Glass, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

DAVID PLUCK (NORTH WEST) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of directors' responsibilities

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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr F J Seymour

Director

19 June 2014

DAVID PLUCK (NORTH WEST) LIMITED

INDEPENDENT AUDITORS' REPORT TO DAVID PLUCK (NORTH WEST) LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 16, together with the financial statements of David Pluck (North West) Limited for the year ended 31 December 2013 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 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.

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.



Iain White BSc FCA (Senior Statutory Auditor)
for and on behalf of Duncan Sheard Glass

19 June 2014

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

DAVID PLUCK (NORTH WEST) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

		2013 £	2012 £
	Notes		
Turnover		34,095,524	36,153,750
Other operating income less cost of sales		(25,869,398)	(28,115,670)
Administrative expenses		(7,675,702)	(7,245,732)
Operating profit	2	550,424	792,348
Investment income	3	5,073	4,427
Other interest receivable and similar income		6,567	2,873
Interest payable and similar charges	4	(8,187)	(11,571)
Profit on ordinary activities before taxation		553,877	788,077
Tax on profit on ordinary activities	5	(185,710)	(216,729)
Profit for the year	15	368,167	571,348

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

DAVID PLUCK (NORTH WEST) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Intangible assets	6	188,195		319,019	
Tangible assets	7	5,168,660		4,443,315	
		5,356,855		4,762,334	
Current assets					
Stocks	8	18,500		19,000	
Debtors	9	895,075		504,378	
Investments	10	105,809		92,091	
Cash at bank and in hand		787,663		1,585,394	
		1,807,047		2,200,863	
Creditors: amounts falling due within one year	11	(1,002,261)		(1,197,600)	
Net current assets		804,786		1,003,263	
Total assets less current liabilities		6,161,641		5,765,597	
Creditors: amounts falling due after more than one year	12	(1,268,339)		(1,294,316)	
Provisions for liabilities	13	(742,851)		(689,000)	
		4,150,451		3,782,281	
Capital and reserves					
Called up share capital	14	200		200	
Share premium account	15	42,291		42,291	
Profit and loss account	15	4,107,960		3,739,790	
Shareholders' funds	16	4,150,451		3,782,281	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 19 June 2014

Mr D L Pluck
Director

Company Registration No. 01477372

DAVID PLUCK (NORTH WEST) LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		914,377		1,766,491
Returns on investments and servicing of finance				
Interest received	5,632		2,873	
Interest paid	(2,423)		(4,647)	
Dividends received	5,073		4,427	
Net cash inflow for returns on investments and servicing of finance		8,282		2,653
Taxation		(239,359)		(204,974)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(1,692,498)		(783,324)	
Payments to acquire investments	-		(8,499)	
Receipts from sales of intangible assets	-		99,740	
Receipts from sales of tangible assets	292,000		27,760	
Net cash outflow for capital expenditure		(1,400,498)		(664,323)
Net cash (outflow)/inflow before management of liquid resources and financing		(717,198)		899,847
Management of liquid resources				
		-		-
Financing				
Repayment of other long term loans	(40,009)		(44,998)	
Increase in debt	(40,009)		(44,998)	
Net cash outflow from financing		(40,009)		(44,998)
(Decrease)/increase in cash in the year		(757,207)		854,849

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1 Reconciliation of operating profit to net cash outflow from operating activities	2013	2012
	£	£
Operating profit	550,424	792,348
Depreciation of tangible assets	742,035	750,536
Amortisation of intangible assets	130,824	130,824
Profit on disposal of tangible assets	(80,595)	-
Profit on disposal of intangible assets	-	(99,740)
Decrease/(increase) in stocks	500	(1,000)
(Increase)/decrease in debtors	(389,762)	111,987
Decrease in creditors within one year	(41,549)	(50,814)
Increase in pension provision	2,500	132,350
Net cash inflow from operating activities	914,377	1,766,491

2 Analysis of net (debt)/funds	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,585,394	(797,731)	-	787,663
Bank overdrafts	(40,524)	40,524	-	-
	<u>1,544,870</u>	<u>(757,207)</u>	<u>-</u>	<u>787,663</u>
Liquid resources:				
Current asset investments	92,091	13,718	-	105,809
Bank deposits	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt:				
Debts falling due after one year	(1,294,316)	25,977	-	(1,268,339)
Net funds/(debt)	<u>342,645</u>	<u>(717,512)</u>	<u>-</u>	<u>(374,867)</u>

3 Reconciliation of net cash flow to movement in net (debt)/funds	2013	2012
	£	£
(Decrease)/increase in cash in the year	(757,207)	854,849
Cash outflow from increase in liquid resources	13,718	714
Cash outflow from decrease in debt	25,977	40,008
Movement in net (debt)/funds in the year	(717,512)	895,571
Opening net funds/(debt)	342,645	(552,926)
Closing net (debt)/funds	(374,867)	342,645

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the provision of services falling within the company's activities during the year. In the case of over the counter trade in Licensed Betting Offices, turnover represents the amounts staked by customers in respect of individual bets placed on events that have occurred by the accounting period end.

Turnover from FOBT's represents amounts staked less amounts returned in winnings in respect of activity completed by the accounting period end and is stated net of VAT.

1.4 Goodwill

Goodwill is the difference between the fair value of consideration paid on the acquisition of a business and the aggregate fair value of its separate net assets. Goodwill is capitalised and amortised through the profit and loss account over its estimated useful economic life. Amortisation is calculated so as to write off the goodwill cost acquired, less estimated residual value, over the goodwill's estimated useful economic life, which the directors consider to be a period of between 2 and 15 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	Over 25 years
Long leasehold buildings	Over the life of the lease
Plant and machinery	25% reducing balance
Office furniture and fittings	15% reducing balance
Motor vehicles	25% reducing balance

No depreciation is charged in respect of land.

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term even if payments are not made on such a basis.

1.7 Investments

Current asset investments represent listed investments which are stated at market value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Stocks consists entirely of betting slips and stationery costs.

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies (Continued)

1.9 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 Dilapidations

Provision for dilapidations on property leases is made where the lease expires (including break clause's) within 5 years of the Balance Sheet date. No provision is made for leases expiring beyond 5 years as it is considered that a transfer of economic benefit beyond this point is too uncertain.

2	Operating profit	2013 £	2012 £
	Operating profit is stated after charging:		
	Amortisation of intangible assets	130,824	130,824
	Depreciation of tangible assets	742,035	750,536
	Operating lease rentals		
	- Plant and machinery	4,379	4,878
	- Other assets	1,301,638	1,201,750
	Fees payable to the company's auditor for the audit of the company's annual accounts	15,000	15,000
	and after crediting:		
	Profit on disposal of tangible assets	(80,595)	-
	Profit on disposal of intangible assets	-	(99,740)
		<u> </u>	<u> </u>
3	Investment income	2013 £	2012 £
	Income from fixed asset investments	5,073	4,427
	Bank interest	5,632	2,873
	Other interest	935	-
		<u> </u>	<u> </u>
		11,640	7,300
		<u> </u>	<u> </u>
4	Interest payable	2013 £	2012 £
	On other loans wholly repayable within five years	5,764	6,924
	Other interest	2,423	4,647
		<u> </u>	<u> </u>
		8,187	11,571
		<u> </u>	<u> </u>

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

5	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	140,000	245,000
	Adjustment for prior years	(5,641)	(2,271)
	Total current tax	<u>134,359</u>	<u>242,729</u>
	Deferred tax		
	Deferred tax charge/credit current year	51,351	(26,000)
		<u>185,710</u>	<u>216,729</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>553,877</u>	<u>788,077</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%)	<u>127,392</u>	<u>189,138</u>
	Effects of:		
	Non deductible expenses	21,194	5,170
	Capital allowances	(3,789)	49,940
	Adjustments to previous periods	(5,641)	(2,271)
	Effect of variation in rate of taxation	2,302	6,142
	Marginal rate relief	(7,099)	(5,390)
		<u>6,967</u>	<u>53,591</u>
	Current tax charge for the year	<u>134,359</u>	<u>242,729</u>

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2013 & at 31 December 2013	1,600,088
Amortisation	
At 1 January 2013	1,281,069
Charge for the year	130,824
At 31 December 2013	1,411,893
Net book value	
At 31 December 2013	188,195
At 31 December 2012	319,019

7 Tangible fixed assets

	Freehold buildings £	Long leasehold buildings £	Plant and machinery £	Office furniture and fittings £	Motor vehicles £	Total £
Cost						
At 1 January 2013	1,964,147	1,433,997	3,316,619	3,694,604	101,708	10,511,075
Additions	299,549	78,356	1,148,326	166,272	-	1,692,503
Disposals	-	-	(652,642)	-	-	(652,642)
At 31 December 2013	2,263,696	1,512,353	3,812,303	3,860,876	101,708	11,550,936
Depreciation						
At 1 January 2013	674,768	605,225	2,434,921	2,291,206	61,640	6,067,760
On disposals	-	-	(441,237)	-	-	(441,237)
Charge for the year	79,679	115,098	315,506	235,450	10,020	755,753
At 31 December 2013	754,447	720,323	2,309,190	2,526,656	71,660	6,382,276
Net book value						
At 31 December 2013	1,509,249	792,030	1,503,113	1,334,220	30,048	5,168,660
At 31 December 2012	1,289,379	828,771	881,697	1,403,399	40,069	4,443,315

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

8	Stocks	2013	2012
		£	£
	Finished goods and goods for resale	18,500	19,000
9	Debtors	2013	2012
		£	£
	Other debtors	203,504	167,137
	Prepayments and accrued income	691,571	337,241
		895,075	504,378
10	Current asset investments	2013	2012
		£	£
	Listed investments	105,809	92,091
11	Creditors: amounts falling due within one year	2013	2012
		£	£
	Bank loans and overdrafts	-	40,524
	Trade creditors	345,685	321,029
	Corporation tax	140,000	245,000
	Other taxes and social security costs	286,228	266,075
	Directors' current accounts	107,167	103,026
	Other creditors	53,441	77,650
	Accruals and deferred income	69,740	144,296
		1,002,261	1,197,600

The bank overdraft amounting to £Nil (2012: £40,524) is secured by a debenture incorporating a first legal charge over the freehold property at 130/132 Market Street, Droylsden.

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

12	Creditors: amounts falling due after more than one year	2013 £	2012 £
	Other loans	1,268,339	1,294,316
	Analysis of loans		
	Wholly repayable within five years	1,268,339	1,294,316
		1,268,339	1,294,316
	Loan maturity analysis		
	In more than one year but not more than two years	25,977	26,757
	In more than two years but not more than five years	1,242,362	1,267,559

13	Provisions for liabilities	Deferred tax liability £	Other £	Total £
	Balance at 1 January 2013	110,000	579,000	689,000
	Profit and loss account	51,351	2,500	53,851
	Balance at 31 December 2013	161,351	581,500	742,851

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	161,351	110,000

Other provisions relate to dilapidation costs of £594,500 (2012: £579,000) on leased premises which is payable on the earlier of the surrender of the lease or when the work has been completed.

14	Share capital	2013 £	2012 £
	Allotted, called up and fully paid		
	200 Ordinary shares of £1 each	200	200

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

15 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2013	42,291	3,739,793
Profit for the year	-	368,167
Balance at 31 December 2013	42,291	4,107,960

16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	368,167	571,348
Opening shareholders' funds	3,782,281	3,210,933
Closing shareholders' funds	4,150,451	3,782,281

17 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings	
	2013 £	2012 £
Operating leases which expire:		
Within one year	79,364	124,154
Between two and five years	206,560	71,149
In over five years	534,611	605,120
	820,535	800,423

18 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	108,616	103,673

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2012 - 2).

DAVID PLUCK (NORTH WEST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Number of employees - Administration	162	152
Employment costs	2013 £	2012 £
Wages and salaries	2,508,809	2,478,693
Social security costs	197,189	195,906
	2,705,998	2,674,599

20 Related party relationships and transactions

Other transactions

Included in other debtors is a loan to N F Thompson, a director of the company. At the year end the balance on this loan stood at £7,008 (2012: £13,648), interest accrued on this loan amounted to £935 (2012: £490) for the period.

Creditors falling due with one year include loans owing to D L Pluck of £61,515 (2012: £6,286) and F J Seymour of £45,652 (2012: £96,739). Included within other loans in creditors falling due after more than one year are loans owing to D L Pluck of £1,240,000 (2012: £1,240,000). During the year loan interest of £5,765 (2012: £6,924) was charged in respect of these loans.

Included within other creditors in creditors falling due within one year are loans from the Dee Retirement Benefit Scheme (of which D L Pluck is the main beneficiary) of £25,977 (2012: £40,007). Included within other loans in creditors falling due after more than one year are loans from the Dee Retirement Benefit Scheme of £28,340 (2012: £54,316). Interest of £2,423 (2012: £4,647) was charged in respect of this loan.

Other debtors include an amount of £40,842 (2012: 38,999) in respect of building costs borne by the company on behalf of the Dee Retirement Benefit Scheme.

During the year rent amounting to £204,566 (2012: £159,388) was paid over to the Dee Retirement Benefit Scheme.