

**CAVANNA GROUP MANAGEMENT SERVICES LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 NOVEMBER 2019**

STATEMENT OF FINANCIAL POSITION  
AS AT 30 NOVEMBER 2019

	Note	2019 £	2018 £
<b>Current Assets</b>			
Debtors	4	1,687,587	1,137,490
		<u>1,687,587</u>	<u>1,137,490</u>
Creditors: amounts falling due within one year	5	(1,686,587)	(1,136,490)
		<u></u>	<u></u>
<b>Net Current Assets</b>		<b>1,000</b>	<b>1,000</b>
		<u></u>	<u></u>
<b>Total Assets Less Current Liabilities</b>		<b>1,000</b>	<b>1,000</b>
		<u></u>	<u></u>
<b>Net Assets</b>		<b>1,000</b>	<b>1,000</b>
		<u></u>	<u></u>
<b>Capital and Reserves</b>			
Called up share capital	7	1,000	1,000
		<u></u>	<u></u>
<b>Shareholders' Funds</b>		<b>1,000</b>	<b>1,000</b>
		<u></u>	<u></u>

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 income statement 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:

**J M Cavanna**  
Director

Date:

18 March 2020

The notes on pages 2 to 6 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

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**1. General Information**

Cavanna Group Management Services Limited is a private company, limited by shares, incorporated in the United Kingdom. The address of the registered office is Cavanna House, Riviera Park, Nicholson Road, Torquay, Devon, TQ2 7TD. The principal activity of the company is that of employment services for the Cavanna Group.

**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 value added tax and other sales taxes.

**2.3 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 loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, less any impairment.

**2.5 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, where applicable, are measured initially at fair value, net of transaction costs.

**2.6 Finance Costs**

Finance costs are charged to the Income Statement over the term of the debt.

**2.7 Dividends**

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

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**2. Accounting Policies (continued)**

**2.8 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 Income statement 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.

**2.9 Current and Deferred Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement.

The current income 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 United Kingdom.

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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences, 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.

**3. Employees**

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	5,524,499	4,934,748
Social security costs	640,650	584,602
Cost of defined contribution scheme	469,136	440,822
	<u>6,634,285</u>	<u>5,960,172</u>

**NOTES TO THE FINANCIAL STATEMENTS  
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The average monthly number of employees, including the directors, during the year was as follows:

	<b>2019 No.</b>	<b>2018 No.</b>
Directors (including group companies)	<b>6</b>	5
Administration staff	<b>13</b>	13
Sales staff	<b>21</b>	20
Construction/design/technical staff	<b>95</b>	86
	<hr/>	<hr/>
	<b>135</b>	124

The total compensation paid to key management personnel during the year was £1,206,446 (2018: £990,147).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

**4. Debtors**

	2019 £	2018 £
Amounts owed by group undertakings	1,679,432	1,125,272
Other debtors	2,326	6,059
Deferred taxation	5,829	6,159
	<u>1,687,587</u>	<u>1,137,490</u>

**5. Creditors: Amounts Falling Due Within One Year**

	2019 £	2018 £
Bank overdrafts	32,320	5,818
Trade creditors	10,923	4,841
Amounts owed to group undertakings	406,850	196,566
Corporation tax	88,903	8,939
Other taxation and social security	173,042	172,038
Accruals and deferred income	974,549	748,288
	<u>1,686,587</u>	<u>1,136,490</u>

Bank borrowings are secured by a floating charge over all assets.

**6. Deferred Taxation**

	2019 £
At beginning of year	6,159
Charged to profit or loss	(330)
<b>At end of year</b>	<u><u>5,829</u></u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Other short term timing differences	5,829	6,159
	<u>5,829</u>	<u>6,159</u>

**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Share Capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Shares Classified As Equity		
<b>Allotted, Called Up and Fully Paid</b>		
1,000 Ordinary shares of £1 each	<u><b>1,000</b></u>	<u><b>1,000</b></u>

**8. Contingent Liabilities**

The company has entered into cross guarantees in respect of bank borrowings of other group companies.

**9. Pension Commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £469,136 (2018: £440,822). Contributions totalling £37,839 (2018: £38,790) were payable to the fund at the reporting date.

**10. Controlling Party**

The holding company is Cavanna Group Limited, a company incorporated in England and Wales. Copies of the group financial statements can be obtained from the holding company's registered office, Cavanna House, Riviera Park, Nicholson Road, Torquay, Devon, TQ2 7TD.

**11. Auditors' information**

The auditors' report on the financial statements for the year ended 30 November 2019 was unqualified.

The audit report was signed on 23 March 2020 by Pamela Tuckett FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.