

**REGISTERED NUMBER: 04285266 (England and Wales)**

**Abbreviated Audited Accounts for the Year Ended 31 December 2010**

**for**

**ACB Restaurants Limited**

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**ACB Restaurants Limited**

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for the Year Ended 31 December 2010**

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**ACB Restaurants Limited**  
**Company Information**  
**for the Year Ended 31 December 2010**

**DIRECTOR:** Ms A Badham

**REGISTERED OFFICE:** Aldreth  
Pearcroft Road  
Stonehouse  
Gloucestershire  
GL10 2JY

**BUSINESS ADDRESS:** McDonald's Restaurant  
14-20 North Walk  
Cwmbran  
Gwent  
NP44 1PR

**REGISTERED NUMBER:** 04285266 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:** Chris Bourne

**AUDITORS:** Griffiths Marshall  
Beaumont House  
172 Southgate Street  
Gloucester  
GL1 2EZ

**BANKERS:** NatWest Commercial Banking  
3rd Floor  
One Kingsway  
Cardiff  
CF10 3AQ

## **ACB Restaurants Limited**

### **Report of the Director for the Year Ended 31 December 2010**

The director presents her report with the accounts of the company for the year ended 31 December 2010

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the operation of fast food restaurants

#### **REVIEW OF BUSINESS**

The company completed a successful year of trading. Like for like sales increased by slightly more than 5% in the year and this rate of growth is expected to continue in 2011. The company completed its program of refurbishment of its restaurants in 2010 and now anticipates a resulting increase in revenues. There are no plans for any major expenditure in the next year.

#### **DIVIDENDS**

An interim dividend of £40000 per share was paid on 6 April 2010. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2010 will be £40,000.

#### **DIRECTOR**

Ms A Badham held office during the whole of the period from 1 January 2010 to the date of this report.

#### **EMPLOYMENT OF DISABLED PERSONS**

The company operates a policy of giving full & fair consideration to employment applications from disabled persons and to the continued employment and training of employees who become disabled.

#### **PROVISION OF INFORMATION TO EMPLOYEES**

The company has a system for providing employees with information of concern to them. It also consults employees on a regular basis so that their views can be taken into account in making decisions affecting them. It regularly explains to employees the financial and economic factors affecting the performance of the company and makes them aware of the provision of training, career development and promotion of disabled employees. The company does not operate an employee share incentive scheme.

#### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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 director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is 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.

**ACB Restaurants Limited**

**Report of the Director  
for the Year Ended 31 December 2010**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is 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 she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**AUDITORS**

The auditors, Griffiths Marshall, 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 'A Badham', written in a cursive style.

Ms A Badham - Director

28 September 2011

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

We have examined the abbreviated accounts set out on pages five to sixteen, together with the full financial statements of ACB Restaurants Limited for the year ended 31 December 2010 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 director and auditors**

The director is 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.



Chris Bourne (Senior Statutory Auditor)  
for and on behalf of Griffiths Marshall  
Beaumont House  
172 Southgate Street  
Gloucester  
GL1 2EZ

28 September 2011

**ACB Restaurants Limited**

**Abbreviated Profit and Loss Account  
for the Year Ended 31 December 2010**

	Notes	31 12 10 £	31 12 09 £
<b>TURNOVER</b>		7,958,130	7,055,617
Cost of sales		(2,672,419)	(2,330,019)
		<u>5,285,711</u>	<u>4,725,598</u>
Administrative expenses		5,173,723	4,448,787
<b>OPERATING PROFIT</b>	3	<u>111,988</u>	<u>276,811</u>
Interest payable and similar charges	4	<u>17,117</u>	<u>18,667</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		94,871	258,144
Tax on profit on ordinary activities	5	<u>15,436</u>	<u>52,765</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		79,435	205,379
Retained profit brought forward		<u>270,999</u>	<u>155,620</u>
		350,434	360,999
Dividends	6	<u>(40,000)</u>	<u>(90,000)</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>310,434</u></u>	<u><u>270,999</u></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

**ACB Restaurants Limited**

**Abbreviated Balance Sheet  
31 December 2010**

	Notes	31 12 10 £	31 12 09 £
<b>FIXED ASSETS</b>			
Intangible assets	7	140,616	151,232
Tangible assets	8	1,169,201	893,381
Investments	9	7,500	7,500
		<u>1,317,317</u>	<u>1,052,113</u>
<b>CURRENT ASSETS</b>			
Stocks	10	40,692	51,263
Debtors	11	54,119	66,482
Cash at bank and in hand		423,226	478,277
		<u>518,037</u>	<u>596,022</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	723,877	677,935
<b>NET CURRENT LIABILITIES</b>		<u>(205,840)</u>	<u>(81,913)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,111,477	970,200
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(720,056)	(624,034)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(80,986)</u>	<u>(75,166)</u>
<b>NET ASSETS</b>		<u><u>310,435</u></u>	<u><u>271,000</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	1	1
Profit and loss account		310,434	270,999
<b>SHAREHOLDERS' FUNDS</b>	20	<u><u>310,435</u></u>	<u><u>271,000</u></u>

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 director on 28 September 2011 and were signed by



Ms A Badham - Director

The notes form part of these abbreviated accounts



**ACB Restaurants Limited**

**Cash Flow Statement  
for the Year Ended 31 December 2010**

	Notes	31 12 10 £	£	31 12 09 £	£
<b>Net cash inflow from operating activities</b>	1		393,204		334,164
<b>Returns on investments and servicing of finance</b>	2		(17,117)		(18,667)
<b>Taxation</b>			(34,960)		(5,892)
<b>Capital expenditure and financial investment</b>	2		(463,846)		(405,430)
<b>Equity dividends paid</b>			(40,000)		(90,000)
			<u>(162,719)</u>		<u>(185,825)</u>
<b>Financing</b>	2		107,668		346,653
<b>(Decrease)/Increase in cash in the period</b>			<u>(55,051)</u>		<u>160,828</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net debt</b>	3				
(Decrease)/Increase in cash in the period			(55,051)		160,828
Cash inflow from increase in debt			<u>(108,485)</u>		<u>(319,077)</u>
Change in net debt resulting from cash flows			<u>(163,536)</u>		<u>(158,249)</u>
<b>Movement in net debt in the period</b>			(163,536)		(158,249)
<b>Net debt at 1 January</b>			<u>(265,238)</u>		<u>(106,989)</u>
<b>Net debt at 31 December</b>			<u>(428,774)</u>		<u>(265,238)</u>

The notes form part of these abbreviated accounts

**ACB Restaurants Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2010**

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

	31 12 10	31 12 09
	£	£
Operating profit	111,988	276,811
Depreciation charges	173,840	118,470
Loss on disposal of fixed assets	24,800	-
Decrease/(Increase) in stocks	10,571	(11,789)
Decrease/(Increase) in debtors	12,363	(36,540)
Increase/(Decrease) in creditors	59,642	(12,788)
<b>Net cash inflow from operating activities</b>	<u>393,204</u>	<u>334,164</u>

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

	31 12 10	31 12 09
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest paid	(17,117)	(18,667)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(17,117)</u>	<u>(18,667)</u>
 <b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	-	(20,000)
Purchase of tangible fixed assets	(463,846)	(384,180)
Purchase of fixed asset investments	-	(1,250)
<b>Net cash outflow for capital expenditure and financial investment</b>	<u>(463,846)</u>	<u>(405,430)</u>
 <b>Financing</b>		
New loans in year	108,487	319,076
Amount introduced by directors	41,921	51,920
Amount withdrawn by directors	(42,740)	(24,343)
<b>Net cash inflow from financing</b>	<u>107,668</u>	<u>346,653</u>

The notes form part of these abbreviated accounts

**ACB Restaurants Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2010**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 1 10 £	Cash flow £	At 31 12 10 £
Net cash			
Cash at bank and in hand	478,277	(55,051)	423,226
	<u>478,277</u>	<u>(55,051)</u>	<u>423,226</u>
Debt			
Debts falling due within one year	(119,481)	(12,463)	(131,944)
Debts falling due after one year	(624,034)	(96,022)	(720,056)
	<u>(743,515)</u>	<u>(108,485)</u>	<u>(852,000)</u>
Total	<u>(265,238)</u>	<u>(163,536)</u>	<u>(428,774)</u>

The notes form part of these abbreviated accounts

## ACB Restaurants Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 December 2010

#### 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

##### Franchise Rights and Franchise Fees

Franchise Rights and Franchise Fees, being the amounts payable in connection with the acquisition of fast food restaurants in 2001 and subsequently, are being written off over the term of the Franchise agreements

##### Tangible fixed assets

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

Short leasehold	- 10% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- at varying rates 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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

##### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

##### 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

#### 2 STAFF COSTS

	31 12 10	31 12 09
	£	£
Wages and salaries	2,284,637	1,972,360
Social security costs	123,792	110,835
Other pension costs	13,328	11,808
	<u>2,421,757</u>	<u>2,095,003</u>

**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

**2 STAFF COSTS - continued**

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

	31 12 10	31 12 09
Production staff	292	270
Managerial staff	<u>16</u>	<u>14</u>
	<u>308</u>	<u>284</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging

	31 12 10	31 12 09
	£	£
Other operating leases	841,859	753,376
Depreciation - owned assets	163,224	107,826
Loss on disposal of fixed assets	24,800	-
Franchise rights amortisation	4,616	4,644
Franchise fees amortisation	6,000	6,000
Auditors' remuneration	1,500	6,000
Auditors' remuneration for non audit work	<u>-</u>	<u>712</u>
Director's remuneration	6,000	5,430
Director's pension contributions to money purchase schemes	<u>3,600</u>	<u>3,600</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	31 12 10	31 12 09
	£	£
Bank interest	<u>17,117</u>	<u>18,667</u>

**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

**5 TAXATION**

**Analysis of the tax charge**

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

	31 12 10 £	31 12 09 £
Current tax		
UK corporation tax	9,616	34,960
Deferred tax	5,820	17,805
Tax on profit on ordinary activities	<u>15,436</u>	<u>52,765</u>

UK corporation tax has been charged at 21% (2009 - 21%)

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 10 £	31 12 09 £
Profit on ordinary activities before tax	<u>94,871</u>	<u>258,144</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 21%)	19,923	54,210
Effects of		
Capital allowances in excess of Depreciation	(16,559)	(19,615)
Non deductible expenses	1,044	365
Loss on disposal of fixed assets	5,208	-
Current tax charge	<u>9,616</u>	<u>34,960</u>

**6 DIVIDENDS**

	31 12 10 £	31 12 09 £
Ordinary shares share of £1 Interim	<u>40,000</u>	<u>90,000</u>

**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

**7 INTANGIBLE FIXED ASSETS**

	Franchise rights £	Franchise fees £	Totals £
<b>COST</b>			
At 1 January 2010 and 31 December 2010	84,315	120,000	204,315
<b>AMORTISATION</b>			
At 1 January 2010	27,958	25,125	53,083
Amortisation for year	4,616	6,000	10,616
At 31 December 2010	32,574	31,125	63,699
<b>NET BOOK VALUE</b>			
At 31 December 2010	51,741	88,875	140,616
At 31 December 2009	56,357	94,875	151,232

**8 TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2010	30,280	926,433	275,701	1,232,414
Additions	9,988	39,170	414,688	463,846
Disposals	-	-	(62,000)	(62,000)
At 31 December 2010	40,268	965,603	628,389	1,634,260
<b>DEPRECIATION</b>				
At 1 January 2010	11,383	288,847	38,805	339,035
Charge for year	4,026	88,285	70,913	163,224
Eliminated on disposal	-	-	(37,200)	(37,200)
At 31 December 2010	15,409	377,132	72,518	465,059
<b>NET BOOK VALUE</b>				
At 31 December 2010	24,859	588,471	555,871	1,169,201
At 31 December 2009	18,897	637,586	236,896	893,379

**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

**9 FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 January 2010	
and 31 December 2010	<u>7,500</u>
<b>NET BOOK VALUE</b>	
At 31 December 2010	<u>7,500</u>
At 31 December 2009	<u>7,500</u>

Fixed asset investments consists of 7,500 (2009- 7,500) ordinary shares of £1 each in Fries Holding Company Limited, a company registered in Guernsey The investments are included in the accounts at cost

**10 STOCKS**

	31 12 10 £	31 12 09 £
Stocks	<u>40,692</u>	<u>51,263</u>

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 10 £	31 12 09 £
Trade debtors	972	1,213
Other debtors	22	13,316
Prepayments	<u>53,125</u>	<u>51,953</u>
	<u>54,119</u>	<u>66,482</u>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 10 £	31 12 09 £
Bank loans and overdrafts (see note 14)	131,944	119,481
Trade creditors	211,192	126,573
Tax	9,616	34,960
Social security and other taxes	21,180	18,130
VAT	186,137	143,868
Other creditors	3,489	1,640
Directors' current accounts	30,600	31,419
Accrued expenses	<u>129,719</u>	<u>201,864</u>
	<u>723,877</u>	<u>677,935</u>



**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

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

	31 12 10	31 12 09
	£	£
Bank loans (see note 14)	<u>720,056</u>	<u>624,034</u>

**14 LOANS**

An analysis of the maturity of loans is given below

	31 12 10	31 12 09
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>131,944</u>	<u>119,481</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>134,809</u>	<u>119,481</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>428,410</u>	<u>358,442</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>156,837</u>	<u>146,111</u>

**15 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	Land and buildings
	31 12 10
	£
Expiring	
In more than five years	<u>439,092</u>

**ACB Restaurants Limited**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2010**

**16 SECURED DEBTS**

The following secured debts are included within creditors

	31 12 10	31 12 09
	£	£
Bank loans	<u>852,000</u>	<u>743,515</u>

There is a legal mortgage dated 5th August 2002 over two Standard Life Assurance Company policies on the life of Alison Claire Badham

**17 PROVISIONS FOR LIABILITIES**

	31 12 10	31 12 09
	£	£
Deferred tax	<u>80,986</u>	<u>75,166</u>

	Deferred tax £
Balance at 1 January 2010	75,166
Charge for year	<u>5,820</u>
Balance at 31 December 2010	<u>80,986</u>

**18 CALLED UP SHARE CAPITAL**

Number	Class	Nominal value	31 12 10	31 12 09
			£	£
1	Ordinary shares	£1	<u>1</u>	<u>1</u>

**19 ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Ms A Badham

**20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 12 10	31 12 09
	£	£
Profit for the financial year	79,435	205,379
Dividends	<u>(40,000)</u>	<u>(90,000)</u>
<b>Net addition to shareholders' funds</b>	<b>39,435</b>	<b>115,379</b>
Opening shareholders' funds	<u>271,000</u>	<u>155,621</u>
<b>Closing shareholders' funds</b>	<b><u>310,435</u></b>	<b><u>271,000</u></b>