

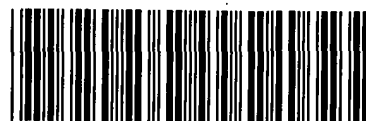
Company registration number: 04289561

A & S Restaurants Limited

Abbreviated financial statements

31 December 2015

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A & S Restaurants Limited

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A & S Restaurants Limited

Strategic report Year ended 31 December 2015

Review of the business

The director aims to present a review of the development and performance of the company during the year under review and its position at the year end. This review is consistent with the size and nature of the company and is written in the context of risks and uncertainties it faces.

During 2015, the company continued to deliver sound results in a competitive business climate. The company considers its key performance indicators are those that communicate the financial performance and strength of the company, including turnover, gross profit and operating profit. The company realised sales growth in 2015, with turnover increasing from £12.2m to £14.3m, reflecting a 17.4% increase over the previous year. The company's gross profit increased from £5.4m to £6.6m.

Given the straightforward nature of the business, the director is of the opinion that analysis using additional KPI's is not necessary for an understanding of the development, performance or position of the company. The re-imaging strategy continued to have a positive impact on sales growth, which is in line with the directors expectations and objectives.

The company continued its environmental improvement programme including ensuring environmentally friendly utilities are used wherever possible throughout the restaurants. The company also continued its commitment to reduce the environmental impact of the transport of goods as part of the drive to reduce the carbon footprint of the business. This included delivery consolidations and reductions in the number of deliveries of goods essential for the company to operate.

Principle risks and uncertainties

The management of the company and the nature of its trading strategy are subject to a number of risks, which are set out below. The company operates a thorough risk assessment and management process which involves a formal review of all the risks identified below and introducing processes to monitor and mitigate each risk, where possible.

The company operates in a highly competitive market with consumer behaviour impacting on the company's turnover and profitability. The company mitigates this risk by adopting a policy of constantly assessing its pricing strategy with ongoing market research.

The company remains exposed to periods of high food cost inflation together with the variability of commodity prices, which both impact on the company's profitability. The company continually assesses any risks identified with the aim of mitigating the threats these may have on the company's operations and profitability.

The company is continually affected by pressures within the labour market and wage cost inflation. The company mitigates this risk by a policy of adopting remuneration and benefits packages designed to be competitive within the market as well as ensuring full compliance with labour market regulations with employment policies to allow fulfilling career opportunities for all employees.

A & S Restaurants Limited

Strategic report (continued) Year ended 31 December 2015

Financial risk management and policies

The company's principal financial instruments comprise bank balances, loans to the company, and trade creditors. The main purpose of these instruments is to provide funds for the company's operations. Their existence exposes the company to a number of financial risks, which have been considered and are managed as follows:

Liquidity risk: Liquidity risk is the risk that the company will have insufficient resources to meet its financial liabilities as they fall due. The company's strategy to managing liquidity risk is to ensure that the company has sufficient funds to meet all its potential liabilities as they fall due. In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdraft facilities at floating rates of interest. In respect of bank loans, although the interest rates are variable, monthly repayments are fixed. The liquidity risk is therefore managed by ensuring there are sufficient funds available to meet the monthly repayments. In respect of trade creditors, the liquidity risk is managed by ensuring sufficient funds are available to meet amounts due for payment.

Operational risk: Operational risk is the risk of a direct or indirect loss resulting from the inadequacies or failures of processes or controls due to technology, staff, organisation or external factors. To monitor and control operational risk, the company maintains a system of comprehensive policies and a control framework which is designed to provide a sound and well-controlled operational environment.

Interest rate risk: Interest rate risk is the risk that financial performance of the company will be adversely affected by adverse fluctuations on interest rates being charged to the company on its financial instruments, most noticeably bank loans and its bank overdraft facility. The interest rate risk is managed by the on-going monitoring and assessment of its borrowings and the interest rate charged.

Price risk: Price risk is the risk that financial performance of the company will be adversely affected by pricing charges. Due to the nature of the financial instruments used by the company, there is no exposure to price risk. The company sets its own prices within allowable variations. Cash flow and liquidity exposure is therefore directly related to prices and turnover.

Credit risk: Credit risk is the risk of a potential loss from a customer or counterparty default. Due to the nature of the company's trade, there is no exposure to credit risk.

Currency risk: Currency risk is the risk that financial performance of the company will be adversely affected by adverse fluctuations in foreign currencies used by the company. The company has no exposure to foreign currency risk.

This report was approved by the board of directors on 19 September 2016 and signed on behalf of the board by:



Mrs A. Sirkhot
Director

A & S Restaurants Limited

Director's report Year ended 31 December 2015

The director presents her report and the abbreviated financial statements of the company for the year ended 31 December 2015.

Director

The director who served the company during the year was as follows:

Mrs A. Sirkhot

Dividends

Particulars of recommended dividends are detailed in note 9 to the abbreviated financial statements.

Future developments

The director is committed to increasing both the turnover and profitability of the company. The company will continue its policy of refurbishing its stores in line with the McDonald's national re-imaging strategy.

Employment of disabled persons

The company operates an equal opportunities policy with regard to recruitment and seeks to offer suitable work and training wherever practicable to persons with disabilities. The policy of the company is to ensure that disabled applicants for employment are given full and fair consideration having regard to their particular aptitudes and abilities. Existing disabled employees are given equal access to appropriate training, career development and promotion opportunities within the company. In the event of employees becoming disabled while in the employment of the company, all reasonable means are explored to achieve retention in employment in the same or an alternative capacity.

Employee involvement

The company communicates regularly with all employees on matters relating to its performance. Employees are encouraged to contribute to the decision making process through regular staff meetings held by the management of the company to discuss matters of concern.

An open management policy is operated whereby all members of staff (including part-time and casual staff) are briefed regularly and kept informed on matters affecting the company by means of regular store meetings and communications, together with personal appraisals and feedback sessions.

Financial Instruments

The company's principal financial instruments comprise bank balances, loans to the company, and trade creditors. The main purpose of these instruments is to provide funds for the company's operations. Their existence exposes the company to a number of financial risks, which are detailed in the Strategic Report under financial risk management and policies.

Disclosure of information in the strategic report.

The company has chosen, in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

A & S Restaurants Limited

Director's report (continued) Year ended 31 December 2015

Statement of director's responsibilities

The director is responsible for preparing the strategic report, director's report and the abbreviated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare abbreviated financial statements for each financial year. Under that law the director has elected to prepare the abbreviated 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 abbreviated financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these abbreviated financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the abbreviated 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 abbreviated 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 19 September 2016 and signed on behalf of the board by:



Mrs A. Sirkhot
Director

A & S Restaurants Limited

**Independent auditor's report to A & S Restaurants Limited
under section 449 of the Companies Act 2006
Year ended 31 December 2015**

We have examined the abbreviated financial statements set out on pages 6 to 20, together with the financial statements of A & S Restaurants Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

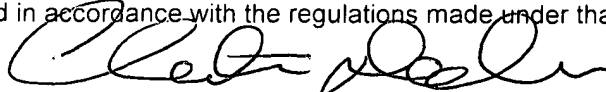
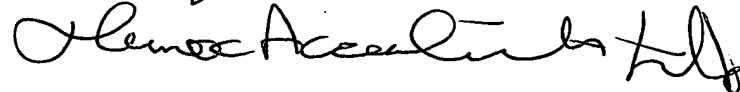
Respective responsibilities of director and auditor

The director is responsible for preparing the abbreviated financial statements 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 financial statements to the Registrar of Companies and whether the abbreviated financial statements 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 financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

Clinton Meehan Bsc FCA (senior statutory auditor)

For and on behalf of

Manex Accountants Ltd

Chartered Accountant

9 Castle Court (2)

Castlegate Way

Dudley

West Midlands

DY1 4RH

A & S Restaurants Limited

Abbreviated statement of income and retained earnings Year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	2	14,374,996	12,243,738
Cost of sales and other operating income		(7,754,692)	(6,768,706)
Administrative expenses		(5,505,434)	(4,776,303)
Operating profit	4	1,114,870	698,729
Interest payable and similar charges	7	(42,414)	(48,597)
Profit on ordinary activities before taxation		1,072,456	650,132
Tax on profit on ordinary activities	8	(214,582)	(141,369)
Profit for the financial year and total comprehensive income		<u>857,874</u>	<u>508,763</u>
Dividends paid and payable	9	(300,000)	(270,000)
Retained earnings at the start of the year		610,395	371,632
Retained earnings at the end of the year		<u>1,168,269</u>	<u>610,395</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 20 form part of these abbreviated financial statements.

A & S Restaurants Limited

Statement of financial position 31 December 2015

	Note	2015 £	£	2014 £	£
Fixed assets					
Intangible fixed assets	10	2,018,981		1,597,992	
Tangible assets	11	1,779,599		1,025,019	
Fixed asset investments	12	7,500		6,250	
			3,806,080		2,629,261
Current assets					
Stocks	13	57,299		47,017	
Debtors	14	57,598		56,751	
Cash at bank and in hand		1,433,909		1,269,191	
		1,548,806		1,372,959	
Creditors: amounts falling due within one year	15	(2,551,444)		(1,488,064)	
Net current liabilities			(1,002,638)		(115,105)
Total assets less current liabilities			2,803,442		2,514,156
Creditors: amounts falling due after more than one year	16		(1,447,984)		(1,779,000)
Provisions for liabilities	18		(186,288)		(123,860)
Net assets			1,169,170		611,296
Capital and reserves					
Called up share capital	21		901		901
Profit and loss account			1,168,269		610,395
Shareholders funds			1,169,170		611,296

The abbreviated financial statements have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

The notes on pages 10 to 20 form part of these abbreviated financial statements.

A & S Restaurants Limited

Statement of financial position (continued)
31 December 2015

These abbreviated financial statements were approved by the board of directors and authorised for issue on 19 September 2016, and are signed on behalf of the board by:

Mrs A. Sirkhot
Director



Company registration number: 04289561

The notes on pages 10 to 20 form part of these abbreviated financial statements.

A & S Restaurants Limited

Statement of cash flows Year ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	857,874	508,763
<i>Adjustments for:</i>		
Depreciation of tangible assets	297,485	289,395
Amortisation of intangible assets	89,763	87,135
Interest payable and similar charges	42,414	48,597
Tax on profit on ordinary activities	214,582	141,369
Accrued expenses/(income)	45,353	(20,653)
<i>Changes in:</i>		
Stocks	(10,282)	(16,156)
Trade and other debtors	(847)	(23,271)
Trade and other creditors	831,656	518,156
Cash generated from operations	2,367,998	1,533,335
Interest paid	(42,414)	(48,597)
Tax paid	(90,610)	(22,961)
Net cash from operating activities	<u>2,234,974</u>	<u>1,461,777</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,052,065)	(612,240)
Purchase of intangible assets	(510,752)	(1,587,450)
Purchase of other investments	(1,250)	(2,500)
Net cash used in investing activities	<u>(1,564,067)</u>	<u>(2,202,190)</u>
Cash flows from financing activities		
Proceeds from borrowings	(206,189)	1,685,476
Equity dividends paid	(300,000)	(270,000)
Net cash (used in)/from financing activities	<u>(506,189)</u>	<u>1,415,476</u>
Net increase/(decrease) in cash and cash equivalents	164,718	675,063
Cash and cash equivalents at beginning of year	1,269,191	594,128
Cash and cash equivalents at end of year	<u>1,433,909</u>	<u>1,269,191</u>

A & S Restaurants Limited

Notes to the abbreviated financial statements Year ended 31 December 2015

1. Accounting policies

Basis of preparation

The abbreviated financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abbreviated financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) **Year ended 31 December 2015**

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5%	straight line
Licence fees	-	5%	straight line
Stamp duty	-	5%	straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and equipment	-	14.29%	straight line
Office equipment	-	10%	straight line
Motor vehicles	-	20%	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

2. Turnover

Turnover arises from:

	2015	2014
	£	£
Sale of goods	14,096,571	12,005,611
Sales of non-product items	278,425	238,127
	<u>14,374,996</u>	<u>12,243,738</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

3. Other operating income

	2015	2014
	£	£
Other operating income	-	1,937

4. Operating profit

Operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Amortisation of intangible assets	89,763	87,135
Depreciation of tangible assets	297,485	289,395
Operating lease rentals	2,025,576	1,693,019
Defined contribution plans expense	11,379	3,309
Fees payable for the audit of the abbreviated financial statements	1,750	-

5. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

	2015	2014
Restaurant crew	286	254
Administration and management	25	22
	311	276

The aggregate payroll costs incurred during the year were:

	2015	2014
	£	£
Wages and salaries	3,533,023	3,079,508
Social security costs	140,650	131,687
Other pension costs	11,379	3,309
	3,685,052	3,214,504

6. Directors remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2015	2014
	£	£
Remuneration	16,000	16,000

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

7. Interest payable and similar charges

	2015	2014
	£	£
Bank loans and overdrafts	42,414	48,568
Other interest payable and similar charges	-	29
	<u>42,414</u>	<u>48,597</u>

8. Tax on profit on ordinary activities

Major components of tax expense

	2015	2014
	£	£
Current tax:		
UK current tax expense	152,154	90,610
Deferred tax:		
Origination and reversal of timing differences	62,428	50,759
Tax on profit on ordinary activities	<u>214,582</u>	<u>141,369</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20% (2014: 21%).

A reconciliation is given below:

	2015	2014
	£	£
Profit on ordinary activities before taxation	<u>1,072,456</u>	<u>650,132</u>
Profit on ordinary activities by rate of tax	214,491	136,528
Effect of capital allowances and depreciation	(63,736)	(41,438)
Deferred revenue expenditure	-	(2,693)
Changes in rate of corporation tax	1,859	2,170
Marginal rate adjustment	(460)	(3,957)
Tax on profit on ordinary activities	<u>152,154</u>	<u>90,610</u>

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued)
Year ended 31 December 2015

9. Dividends

Equity dividends

	2015 £	2014 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>300,000</u>	<u>270,000</u>

10. Intangible assets

	Goodwill £	Licence fees £	Stamp duty £	Total £
Cost				
At 1 January 2015	1,582,778	129,335	33,073	1,745,186
Additions	<u>480,752</u>	<u>30,000</u>	<u>-</u>	<u>510,752</u>
At 31 December 2015	<u>2,063,530</u>	<u>159,335</u>	<u>33,073</u>	<u>2,255,938</u>
Amortisation				
At 1 January 2015	104,758	36,967	5,469	147,194
Charge for the year	<u>81,142</u>	<u>6,967</u>	<u>1,654</u>	<u>89,763</u>
At 31 December 2015	<u>185,900</u>	<u>43,934</u>	<u>7,123</u>	<u>236,957</u>
Carrying amount				
At 31 December 2015	<u>1,877,630</u>	<u>115,401</u>	<u>25,950</u>	<u>2,018,981</u>
At 31 December 2014	<u>1,478,020</u>	<u>92,368</u>	<u>27,604</u>	<u>1,597,992</u>

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

11. Tangible assets

	Plant and equipment	Office equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2015	2,104,067	3,331	8,143	2,115,541
Additions	1,039,565	12,500	-	1,052,065
At 31 December 2015	3,143,632	15,831	8,143	3,167,606
Depreciation				
At 1 January 2015	1,083,197	2,032	5,293	1,090,522
Charge for the year	295,090	766	1,629	297,485
At 31 December 2015	1,378,287	2,798	6,922	1,388,007
Carrying amount				
At 31 December 2015	1,765,345	13,033	1,221	1,779,599
At 31 December 2014	1,020,870	1,299	2,850	1,025,019

12. Fixed asset investments

	Other investments other than loans
	£
Cost or valuation	
At 1 January 2015	6,250
Additions	1,250
At 31 December 2015	7,500
Carrying amount	
At 31 December 2015	7,500
At 31 December 2014	6,250

Fixed asset investments consist of 7,500 (2014: 6,250) ordinary shares of £1 each in Fries Holding Company Ltd, a company registered in Guernsey. The investment is included in the accounts at cost.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

13. Stocks

	2015	2014
	£	£
Closing stocks	<u>57,299</u>	<u>47,017</u>

14. Debtors

	2015	2014
	£	£
Prepayments	<u>57,598</u>	<u>56,751</u>

15. Creditors: amounts falling due within one year

	2015	2014
	£	£
Bank loans and overdrafts	331,797	328,197
Trade creditors	1,163,063	426,759
Accruals	210,715	165,362
Corporation tax	152,154	90,610
Social security and other taxes	420,700	355,832
Director loan accounts	141,515	20,288
Other creditors	<u>131,500</u>	<u>101,016</u>
	<u>2,551,444</u>	<u>1,488,064</u>

16. Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Bank loans and overdrafts	<u>1,447,984</u>	<u>1,779,000</u>

Included within creditors: amounts falling due after more than one year is an amount of £ 73,998 (2014 £ 406,215) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Bank loans consist of an unsecured loan with Royal Bank of Scotland plc, repayable by instalments over 7 years and with interest charged at 1% above base. The ultimate repayment date of the loan will be December 2020.

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

17. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2015	2014
	£	£
Included in provisions (note 18)	186,288	123,860

The deferred tax account consists of the tax effect of timing differences in respect of:

	2015	2014
	£	£
Accelerated capital allowances	186,288	123,860

18. Provisions

	Deferred tax (note 17) £
At 1 January 2015	123,860
Additions	64,949
Charges against provision	(2,521)
At 31 December 2015	186,288

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss in relation to defined contribution plans was £11,379 (2014:£3,309).

20. Financial instruments

Bank loans consist of an unsecured loan with Royal Bank of Scotland plc, repayable by instalments over 7 years and with interest charged at 1% above base. The ultimate repayment date of the loan will be December 2020.

21. Called up share capital

Issued, called up and fully paid

	2015		2014	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	901	901	901	901

A & S Restaurants Limited

Notes to the abbreviated financial statements (continued) Year ended 31 December 2015

22. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2015 £	2014 £
Not later than 1 year	597,612	460,836
Later than 1 year and not later than 5 years	2,253,558	1,816,026
Later than 5 years	4,377,978	2,713,951
	<u>7,229,148</u>	<u>4,990,813</u>

The company's restaurant premises are leased from McDonald's Restaurants Limited under non-cancellable operating leases, with expiry terms of more than five years. The lease charge for each store consists of a base rent and a percentage rent based on food and drink sales. As such it is not possible to quantify the total commitments due under these leases due to the variable basis of the rental payments; the costs shown above are therefore based only on the store base rents.

23. Controlling party

The ultimate controlling party is Mrs A. Sirkhot, being the sole director and shareholder.

24. Transition to FRS 102

These are the first abbreviated financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.