

Registrar's Copy

P.J.T. RESTAURANTS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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COMPANIES HOUSE

P.J.T. RESTAURANTS LIMITED

COMPANY INFORMATION

DIRECTORS

K F Bartrip
P J Tassell

REGISTERED NUMBER

04416191

REGISTERED OFFICE

T/AS McDONALD'S
Northwick Retail Park
Canvey Island
Essex
SS8 OPS

INDEPENDENT AUDITORS

MWS
Chartered Accountants & Registered Auditor
Kingsridge House
601 London Road
Westcliff on Sea
Essex
SS0 9PE

P.J.T. RESTAURANTS LIMITED

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P.J.T. RESTAURANTS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

BUSINESS REVIEW

Turnover in the year increased by 6% (2013: 9%) and gross profit year on year increased by 7% (2013: 9%). The overhead cost has increased within expectation leading to a net profit for the year of £436,940 compared with £287,621 in 2013.

The company continues to reinvest in the restaurants to keep in line with expected quality and brand presentation.

The state of the business is satisfactory and the directors anticipate the business will continue to remain profitable.

This report was approved by the board on 23 April 2015 and signed on its behalf.

**P J Tassell
Director**

A handwritten signature in black ink, appearing to be 'P J Tassell', written over a horizontal line.

P.J.T. RESTAURANTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the 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 judgments 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 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.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of the operation of fast food restaurant franchises.

RESULTS

The profit for the year, after taxation, amounted to £328,264 (2013 - £227,947).

DIRECTORS

The directors who served during the year were:

K F Bartrip
P J Tassell

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in note 12 to the financial statements.

EMPLOYEE INVOLVEMENT

During the year, the company operated an equal opportunity policy for the employment, training, career development and promotion of disabled people. Employees are made aware of the development of the company via regular meetings whereby they are invited to present their suggestions and views on the company's performance.

P.J.T. RESTAURANTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

DISABLED EMPLOYEES

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotions to disabled employees wherever appropriate.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, MWS will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 23 April 2015 and signed on its behalf.



K F Bartrip
Director

P.J.T. RESTAURANTS LIMITED

INDEPENDENT AUDITORS' REPORT TO P.J.T. RESTAURANTS 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 P.J.T. RESTAURANTS LIMITED for the year ended 31 December 2014 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 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 are properly prepared.

OPINION ON FINANCIAL STATEMENTS

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 on pages 5 to 16 have been properly prepared in accordance with the regulations made under that section.



Clive R Smith FCA (Senior statutory auditor)

for and on behalf of

MWS

Chartered Accountants
Registered Auditor

Kingsridge House
601 London Road
Westcliff on Sea
Essex
SS0 9PE

23 April 2015

P.J.T. RESTAURANTS LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1	10,414,281	9,824,504
GROSS PROFIT		7,015,601	6,551,509
Administrative expenses		(6,566,279)	(6,247,488)
OPERATING PROFIT	2	449,322	304,021
Interest payable and similar charges	5	(12,383)	(16,400)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		436,939	287,621
Tax on profit on ordinary activities	6	(108,675)	(59,674)
PROFIT FOR THE FINANCIAL YEAR	16	328,264	227,947

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

P.J.T. RESTAURANTS LIMITED
REGISTERED NUMBER: 04416191

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Intangible assets	7		206,921		234,401
Tangible assets	8		787,758		941,077
Investments	9		5,000		5,000
			<u>999,679</u>		<u>1,180,478</u>
CURRENT ASSETS					
Stocks	10	39,262		53,452	
Debtors	11	516,081		404,980	
Cash at bank and in hand		689,695		540,672	
		<u>1,245,038</u>		<u>999,104</u>	
CREDITORS: amounts falling due within one year	12	(1,190,362)		(1,110,051)	
NET CURRENT ASSETS/(LIABILITIES)			<u>54,676</u>		<u>(110,947)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,054,355</u>		<u>1,069,531</u>
CREDITORS: amounts falling due after more than one year	13		(105,530)		(253,742)
PROVISIONS FOR LIABILITIES					
Deferred tax	14		(91,002)		(98,785)
NET ASSETS			<u>857,823</u>		<u>717,004</u>
CAPITAL AND RESERVES					
Called up share capital	15		310,000		310,000
Profit and loss account	16		547,823		407,004
SHAREHOLDERS' FUNDS	17		<u>857,823</u>		<u>717,004</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 23 April 2015


P.J. Tassell
 Director


K.F. Bartrip
 Director

The notes on pages 8 to 16 form part of these financial statements.

P.J.T. RESTAURANTS LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	21	727,632	652,788
Returns on investments and servicing of finance	22	(12,383)	(16,400)
Taxation		(60,925)	(87,232)
Capital expenditure and financial investment	22	(113,566)	(257,321)
Equity dividends paid		(187,445)	(95,000)
CASH INFLOW BEFORE FINANCING		353,313	196,835
Financing	22	(204,290)	(78,658)
INCREASE IN CASH IN THE YEAR		149,023	118,177

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
Increase in cash in the year	149,023	118,177
Cash outflow from decrease in debt and lease financing	204,290	78,658
MOVEMENT IN NET DEBT IN THE YEAR	353,313	196,835
Net funds/(debt) at 1 January 2014	83,545	(113,290)
NET FUNDS AT 31 DECEMBER 2014	436,858	83,545

The notes on pages 8 to 16 form part of these financial statements.

P.J.T. RESTAURANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Goodwill	- 20 years straight line
Franchise fee	- 20 years straight line

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	- Over the length of the lease
Plant and machinery	- 3, 5 and 7 years straight line
Fixtures and fittings	- 3 and 4 years straight line

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. ACCOUNTING POLICIES (continued)

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Investments

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the profit and loss account. Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is disposed of or until its value is impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Trade and other debtors

Trade and other debtors are recognised and carried forward at invoice amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Gains or losses recognised in the profit and loss account when liabilities are derecognised or impaired, as well as through the amortisation process.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£	£
Amortisation - intangible fixed assets	27,480	27,480
Depreciation of tangible fixed assets:		
- owned by the company	266,885	272,981
Auditors' remuneration - audit of the financial statements	6,830	6,675
Operating lease rentals:		
- other operating leases	1,371,664	1,279,675

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

3. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	2,838,306	2,709,470
Social security costs	128,576	106,810
Other pension costs	21,705	5,063
	<u>2,988,587</u>	<u>2,821,343</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Production staff	368	343
Administrative staff	3	3
Management staff	13	14
	<u>384</u>	<u>360</u>

4. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>17,000</u>	<u>17,000</u>

5. INTEREST PAYABLE

	2014 £	2013 £
On bank loans and overdrafts	<u>12,383</u>	<u>16,400</u>

6. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	116,458	60,925
Deferred tax (see note 14)		
Origination and reversal of timing differences	(7,783)	(1,251)
Tax on profit on ordinary activities	<u>108,675</u>	<u>59,674</u>

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - *lower than*) the standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>436,939</u>	<u>287,621</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%)	93,898	66,872
Effects of:		
Capital allowances for year in excess of depreciation	26,057	3,762
Marginal relief	(3,497)	(9,709)
Current tax charge for the year (see note above)	<u><u>116,458</u></u>	<u><u>60,925</u></u>

7. INTANGIBLE FIXED ASSETS

	Franchise £	Goodwill £	Total £
Cost			
At 1 January 2014 and 31 December 2014	<u>120,000</u>	<u>430,461</u>	<u>550,461</u>
Amortisation			
At 1 January 2014	68,125	247,935	316,060
Charge for the year	6,000	21,480	27,480
At 31 December 2014	<u>74,125</u>	<u>269,415</u>	<u>343,540</u>
Net book value			
At 31 December 2014	<u><u>45,875</u></u>	<u><u>161,046</u></u>	<u><u>206,921</u></u>
At 31 December 2013	<u><u>51,875</u></u>	<u><u>182,526</u></u>	<u><u>234,401</u></u>

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2014	184,352	2,904,568	14,723	3,103,643
Additions	9,739	103,827	-	113,566
At 31 December 2014	<u>194,091</u>	<u>3,008,395</u>	<u>14,723</u>	<u>3,217,209</u>
Depreciation				
At 1 January 2014	24,583	2,126,578	11,405	2,162,566
Charge for the year	18,825	245,950	2,110	266,885
At 31 December 2014	<u>43,408</u>	<u>2,372,528</u>	<u>13,515</u>	<u>2,429,451</u>
Net book value				
At 31 December 2014	<u>150,683</u>	<u>635,867</u>	<u>1,208</u>	<u>787,758</u>
At 31 December 2013	<u>159,769</u>	<u>777,990</u>	<u>3,318</u>	<u>941,077</u>

9. INVESTMENTS

	Trade investments £
Cost or valuation	
At 1 January 2014 and 31 December 2014	<u>5,000</u>
Net book value	
At 31 December 2014	<u>5,000</u>
At 31 December 2013	<u>5,000</u>

10. STOCKS

	2014 £	2013 £
Raw materials	<u>39,262</u>	<u>53,452</u>

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

11. DEBTORS

	2014 £	2013 £
Trade debtors	-	432
Amounts owed by group undertakings	471,578	356,566
Other debtors	5,476	888
Prepayments and accrued income	39,027	47,094
	<u>516,081</u>	<u>404,980</u>

**12. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Bank loans and overdrafts	147,306	203,385
Trade creditors	450,819	441,909
Corporation tax	116,458	60,924
Other taxation and social security (see below)	339,747	320,000
Accruals and deferred income	136,032	83,833
	<u>1,190,362</u>	<u>1,110,051</u>

Other taxation and social security

	2014 £	2013 £
PAYE/NI control	28,705	27,655
VAT control	311,042	292,345
	<u>339,747</u>	<u>320,000</u>

The bank loans disclosed above under creditors of £147,306 (£203,385) are secured by the company.

**13. CREDITORS:
Amounts falling due after more than one year**

	2014 £	2013 £
Bank loans	<u>105,530</u>	<u>253,742</u>

The bank loans disclosed above under creditors of £105,530 (£253,742) are secured by the company.

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

14. DEFERRED TAXATION

	2014 £	2013 £
At beginning of year	98,785	100,037
Other movement (P&L)	(7,783)	(1,252)
	<u>91,002</u>	<u>98,785</u>
At end of year	<u>91,002</u>	<u>98,785</u>

The provision for deferred taxation is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>91,002</u>	<u>98,785</u>

15. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
155,000 Ordinary shares of £1 each	155,000	155,000
155,000 Ordinary B shares of £1 each	155,000	155,000
	<u>310,000</u>	<u>310,000</u>

16. RESERVES

	Profit and loss account £
At 1 January 2014	407,004
Profit for the financial year	328,264
Dividends: Equity capital	(187,445)
	<u>547,823</u>
At 31 December 2014	<u>547,823</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	717,004	584,057
Profit for the financial year	328,264	227,947
Dividends (Note 18)	(187,445)	(95,000)
	<u>857,823</u>	<u>717,004</u>
Closing shareholders' funds	<u>857,823</u>	<u>717,004</u>

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

18. DIVIDENDS

	2014 £	2013 £
Ordinary		
Dividends paid on equity shares - Class A	93,722	47,500
Dividends paid on equity shares - Class B	93,723	47,500
	<u>187,445</u>	<u>95,000</u>

19. PENSION COMMITMENTS

The company operates a defined contribution 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 £21,705 (2013: £5,063). Contributions totalling £4,903 (2013: £1,229) were payable to the fund at the balance sheet date and are included in creditors.

20. OPERATING LEASE COMMITMENTS

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £	2013 £
Expiry date:		
Within 1 year	-	2,040
Between 2 and 5 years	1,371,664	1,279,675

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	449,322	304,021
Amortisation of intangible fixed assets	27,480	27,480
Depreciation of tangible fixed assets	266,885	272,981
Decrease/(increase) in stocks	14,191	(12,454)
Decrease/(increase) in debtors	3,911	(17,915)
Increase in amounts owed by group undertakings	(115,012)	(80,412)
Increase in creditors	80,855	159,087
Net cash inflow from operating activities	<u>727,632</u>	<u>652,788</u>

P.J.T. RESTAURANTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest paid	(12,383)	(16,400)
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(113,566)	(257,321)
	2014 £	2013 £
Financing		
Repayment of loans	(204,290)	(78,658)

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	540,672	149,023	-	689,695
Debt:				
Debts due within one year	(203,385)	204,290	(148,212)	(147,307)
Debts falling due after more than one year	(253,742)	-	148,212	(105,530)
Net funds	83,545	353,313	-	436,858