

LT Pub Management Plc

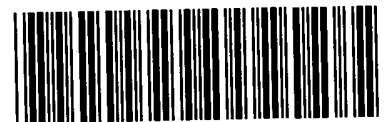
Report and Financial Statements

Period Ended

27 December 2015

Company Number 7139073

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LT Pub Management Plc

Report and financial statements for the period ended 27 December 2015

Contents

Page:

| | |
|----|--|
| 1 | Strategic report |
| 3 | Report of the directors |
| 5 | Independent auditor's report |
| 7 | Consolidated profit and loss account |
| 8 | Consolidated balance sheet |
| 9 | Company balance sheet |
| 10 | Consolidated cash flow statement |
| 11 | Notes forming part of the financial statements |

Directors

W Buchanan
I Robinson

Secretary and registered office

N Turpin, 31 Haverscroft Industrial Estate, New Road, Attleborough, NR17 1YE

Company number

7139073

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

LT Pub Management Plc

Strategic report

for the period ended 27 December 2015

Results

The consolidated profit and loss account for the period is set out on page 7. Revenues amounted to £13.0m (2014 - £11.25m) and profit after taxation amounted to £605,000 (2014 - £601,000).

The group balance sheet at 27 December 2015 showed net assets of £1,569,000 (2014 - £1,364,000).

The company paid dividends totalling £400,000 during the year.

Principal activities, review of the business and future developments

The principal activities of LT Pub Management Plc ("the company") and its subsidiaries ("the group") comprise the following:

- Direct management of leasehold pubs that the group owns the lease for
- The direct management of pubs for other pub owners on a temporary basis
- Provision of head office support for freehold pubs under a service level agreement
- Provision of caretaking services for other pub companies to manage closed sites

The management of pubs for other pub owners generates income from a number of different arrangements including management fees and profit share arrangements. The entitlement to revenues and the responsibility for costs varies by agreement.

The direct management of the group's owner leasehold pubs generate income directly from customers from beer and other drink sales as well as food sales.

At 27 December 2015 the group operated leasehold pubs, temporarily managed pubs, pubs under service level agreements and caretaking sites.

Business review

The consolidated profit and loss account for the period is set out on page 7. Revenues amounted to £13.0m (2014 - £11m) and operating profit before depreciation and amortisation amounted to £762,000 (2014 - £755,000). Operating profit after depreciation of £87,000 (2014 - £96,000) and amortisation of £49,000 (2014 - £49,000) was £626,000 (2014 - £601,000). The directors consider these measures to be the key performance indicators of the Group.

LT Pub Management Plc

Strategic report for the period ended 27 December 2015 (*continued*)

Principal risks and uncertainties

Economic climate

The economic environment, particularly with regard to consumer confidence and spending, remains very uncertain and any further increases in VAT and duty on alcohol will put additional pressure on revenues. However, there are many other factors involved in the ability of individual pubs to attract customers and the Group continues to work with its managers to enhance the trading potential of each site.

Recruitment and retention of managers

The recruitment and retention of highly skilled and professional managers continues to be a principal focus of the Group's management team since this is a key driver for the overall quality and profitability of the business. The market for good managers is very competitive and the Group continues to work closely with current and prospective managers to ensure the Group offers the right physical and business environment for all parties to prosper.

Credit risk

The balance sheet at 27 December 2015 shows trade receivables and other receivables of £2.672 million but the group is not exposed to significant credit risk. The majority of the debt is management fees to other pub companies that is paid after the balance sheet date at contractually agreed points.

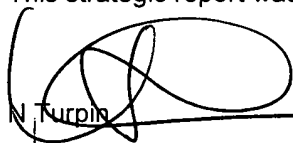
Information technology

The daily operation of the group is reliant on information technology for accounting, reporting and communications. There is a risk that serious disruption could occur if any of these systems were to fail for a significant period of time.

The risk is mitigated by business continuity plans to allow the business to function in the event of a major systems failure. The Group has controls in place to protect data including off site back up of data.

Approval

This strategic report was approved by order of the Board on 27 June 2016



N. Turpin

Company Secretary

LT Pub Management Plc

Report of the directors for the period ended 27 December 2015

Directors

The directors during the period were:

| | |
|------------|---------------------------|
| W Buchanan | (Chief Executive Officer) |
| I Robinson | (Chairman) |

Charitable donations

The group made no charitable donations during the period.

Creditor payment policy

The group's policy for the period to 27 December 2015, for all suppliers, is to abide by the agreed terms of payment. The number of day's purchases represented by period-end trade creditors at 27 December 2015 was 44 days (2014 - 47 days).

Directors' responsibilities

The directors are responsible for preparing 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 period. Under that law the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LT Pub Management Plc

Report of the directors for the period ended 27 December 2015 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board



N Turpin
Company Secretary

Date 27 June 2016

LT Pub Management Plc

Independent auditors report

TO THE MEMBERS OF LT PUB MANAGEMENT PLC

We have audited the financial statements of LT Pub Management Plc for the 52 weeks ended 27 December 2015 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 27 December 2015 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

LT Pub Management Plc

Independent auditors report (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

BDO LLP

*Geraint Jones, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date *27 June 2016*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

LT Pub Management Plc

Consolidated profit and loss account for the period ended 27 December 2015

| | Note | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|--|------|---|---|
| Turnover | 2 | 12,987 | 11,251 |
| Cost of sales | | (8,240) | (6,263) |
| Gross profit | | 4,747 | 4,988 |
| Administrative expenses | 3 | (4,121) | (4,378) |
| Operating profit | 4 | 626 | 610 |
| Interest payable and similar charges | 5 | (5) | (9) |
| Profit on ordinary activities before taxation | | 621 | 601 |
| Taxation on profit on ordinary activities | 6 | (16) | - |
| Profit on ordinary activities after taxation | 14 | 605 | 601 |

All amounts relate to continuing activities

There are no other items of recognised gains or losses other than those shown in the profit and loss account.

The notes on pages 11 to 20 form part of these financial statements.

LT Pub Management Plc

Consolidated balance sheet at 27 December 2015

| <i>Company number 7139073</i> | Note | 27 December 2015 £'000 | 27 December 2015 £'000 | 28 December 2014 £'000 | 28 December 2014 £'000 |
|---|------|------------------------------|------------------------------|------------------------------|------------------------------|
| Fixed assets | | | | | |
| Property, plant and equipment | 8 | | 131 | | 204 |
| Goodwill | 9 | | 682 | | 731 |
| | | | <hr/> | | <hr/> |
| | | | 813 | | 935 |
| Current assets | | | | | |
| Stock | 10 | 194 | | 177 | |
| Debtors | 11 | 2,672 | | 2,635 | |
| Cash at bank and in hand | | 1,485 | | 820 | |
| | | <hr/> | | <hr/> | |
| | | 4,351 | | 3,632 | |
| Creditors: amounts falling due within one year | 12 | (3,595) | | (3,201) | |
| | | <hr/> | | <hr/> | |
| Net current assets | | | 756 | | 431 |
| | | | <hr/> | | <hr/> |
| Total assets less current liabilities | | | 1,569 | | 1,364 |
| | | | <hr/> | | <hr/> |
| Net assets | | | 1,569 | | 1,364 |
| | | | <hr/> | | <hr/> |
| Capital and reserves | | | | | |
| Share capital | 13 | | 55 | | 55 |
| Share premium | 14 | | 470 | | 470 |
| Profit and loss account | 14 | | 1,044 | | 839 |
| | | | <hr/> | | <hr/> |
| Shareholders' funds | | | 1,569 | | 1,364 |
| | | | <hr/> | | <hr/> |

The financial statements were approved by the Board and authorised for issue on 27 June 2016



W Buchanan
Director

The notes on pages 11 to 20 form part of these financial statements.

LT Pub Management Plc

Company balance sheet at 27 December 2015

| <i>Company number 7139073</i> | Note | 27 December 2015 £'000 | 27 December 2015 £'000 | 28 December 2014 £'000 | 28 December 2014 £'000 |
|---|------|------------------------------|------------------------------|------------------------------|------------------------------|
| Fixed assets | | | | | |
| Investment in subsidiary undertakings | 9 | | 987 | | 987 |
| Current assets | | | | | |
| Stock | 10 | - | | - | |
| Debtors | 11 | 749 | | 554 | |
| Cash at bank and in hand | | 1 | | 1 | |
| | | <u>750</u> | | <u>555</u> | |
| Creditors: amounts falling due within one year | 12 | (15) | | (423) | |
| | | <u></u> | | <u></u> | |
| Net current assets/(liabilities) | | | 735 | | 132 |
| | | | <u></u> | | <u></u> |
| Total assets less current liabilities | | | 1,722 | | 1,119 |
| | | | <u></u> | | <u></u> |
| Net assets | | | 1,722 | | 1,119 |
| | | | <u></u> | | <u></u> |
| Capital and reserves | | | | | |
| Share capital | 13 | | 55 | | 55 |
| Share premium | 14 | | 470 | | 470 |
| Retained earnings | 14 | | 1,197 | | 594 |
| | | | <u></u> | | <u></u> |
| Shareholders' funds | | | 1,722 | | 1,119 |
| | | | <u></u> | | <u></u> |

The financial statements were approved by the Board and authorised for issue on 27 June 2016



W Buchanan
Director

The notes on pages 11 to 20 form part of these financial statements.

LT Pub Management Plc

Consolidated cash flow statement for the period ended 27 December 2015

| | Note | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 | 52 weeks ended 28 December 2014 £'000 |
|--|------|---|---|---|---|
| Net cash inflow from operating activities | 16 | | 1,084 | | (1,251) |
| Returns on investments and servicing of finance | | | | | |
| Interest paid | | | (5) | | (9) |
| Net cash inflow from returns on investment and servicing of finance | | | 1,079 | | (1,261) |
| Capital expenditure and financial investment | | | | | |
| Purchase of tangible fixed assets | | (14) | | (133) | |
| Sale of tangible fixed assets | | - | | 29 | |
| Net cash outflow from capital expenditure and financial investment | | | (14) | | (104) |
| Cash inflow before financing | | | 1,065 | | (1,365) |
| Financing | | | | | |
| Dividend paid | | (400) | | (850) | |
| Cash outflow from financing | | | (400) | | (850) |
| Increase in cash in the period | | | 665 | | (2,215) |

The notes on pages 11 to 20 form part of these financial statements.

LT Pub Management Plc

Notes forming part of the financial statements for the period ended 27 December 2015

1 Accounting policies

The financial statements have been prepared on the going concern basis under the historical cost convention and are in accordance with applicable UK accounting standards. The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements incorporate the results of the parent company LT Pub Management Plc ("the Company" or "the parent company") and all of its subsidiary undertakings (together referred to as "the Group") at 27 December 2015. Subsidiaries are consolidated from the date on which control transferred to the Group. Intercompany transactions and balances between Group companies are eliminated in full. The acquisition method of accounting is applied from the date of acquisition.

Goodwill

Goodwill arising on an acquisition of a subsidiary is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of the useful economic life which is 20 years. Impairment tests are undertaken at the end of the first full year after acquisition or if circumstances change which may indicate an impairment.

The need for any amortisation or impairment of goodwill or intangible assets will be assessed by considering the higher of its original acquisition value compared to its current fair value. These assessments will be carried out annually or when there are any other adverse events or changes in circumstances that cast doubt on the recoverability of the capitalised value of goodwill or intangible asset.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rate:

| | |
|---------------------------|--------------|
| Fixtures and fittings | - 3-10 years |
| Leasehold office building | - 10 years |

Stock

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

Investments

Parent company investments in subsidiaries are stated at cost less provision for any impairment

Dividends

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

LT Pub Management Plc

Notes forming part of the financial statements for the period ended 27 December 2015 (*continued*)

1 Accounting policies (*continued*)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on such assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the term of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

2 Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of the business, net of discounts and VAT. Turnover has arisen during the period as follows

United Kingdom - £12,905,000 (2014 - £11,113,000)

Republic of Ireland - £82,000 (2014 - £138,000)

- *Drink and food sales*

Revenue in respect of drink and food sales is recognised at the point at which the goods are provided, net of discounts or volume rebates allowed.

- *Machine income*

The Group's share of net machine income is recognised in the period to which it relates.

- *Management services income*

Revenue earned in respect of the management of pubs for other pub owners is recognised in the period to which it relates.

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

3 Employees and directors

| | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|-------------------------|---|---|
| Staff costs consist of: | | |
| Wages and salaries | 3,596 | 5,062 |
| Social security costs | 296 | 315 |
| | <u>3,892</u> | <u>5,377</u> |

The directors received aggregate emoluments of £279,237 (2014 - £278,476) during the period. The emoluments of the highest paid director was £256,341 (2014 - £221,003).

4 Group operating profit

| | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|--|---|---|
| This has been arrived at after charging: | | |
| Depreciation of fixed assets | 87 | 95 |
| Amortisation of goodwill | 49 | 49 |
| Auditors' remuneration - parent | 4 | 4 |
| Auditors' remuneration - subsidiaries | 29 | 33 |
| Auditors' remuneration - corporate tax compliance services | 14 | 14 |
| | <u></u> | <u></u> |

5 Interest payable and similar charges

| | 52 weeks Ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|--------------|---|---|
| Bank charges | 5 | 9 |
| | <u></u> | <u></u> |

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

6 Taxation on profit from ordinary activities

| | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|---|---|---|
| Analysis of tax charge in period: | | |
| <i>Current tax:</i> | | |
| UK corporation tax on profit for the period | 16 | - |
| <i>Deferred tax</i> | | |
| Origination of timing differences | - | - |
| Taxation on profit on ordinary activities | 16 | - |

A deferred tax asset has been recognised to the extent that the Directors regard it likely that there will be sufficient taxable profits to permit the utilisation of tax losses. The asset has been disclosed within the current assets as the Directors are confident the losses can be utilised within 12 months.

The tax assessed for the period differs from the standard rate of corporation tax in the UK. The differences are explained below

| | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|--|---|---|
| Profit on ordinary activities before tax | 621 | 601 |
| Profit on ordinary activities multiplied by standard rate of UK corporation tax of 20.25% (2014 - 23.25%) | 125 | 140 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 1 | - |
| Income not taxable for tax purposes | (17) | - |
| Depreciation in excess of capital allowances | 11 | - |
| Utilisation of tax losses and other deductions | (104) | (140) |
| Current tax charge for period | 16 | - |

LT Pub Management Plc

Notes forming part of the financial statements for the period ended 27 December 2015 (*continued*)

7 Profit for the financial period

The company has taken advantage of the exemption allowed under the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group profit for the period includes a profit after tax of £1,003,000 (2014 - £3,000) which is dealt with in the financial statements of the parent company.

8 Tangible fixed assets

| Group | Fixtures fittings and equipment £'000 | Leasehold Buildings £'000 | Total £'000 |
|-------------------------|--|---------------------------------|----------------|
| <i>Cost</i> | | | |
| At 28 December 2014 | 377 | 108 | 485 |
| Additions | 15 | 3 | 18 |
| Disposals | (34) | - | (34) |
| | <hr/> | <hr/> | <hr/> |
| At 27 December 2015 | 358 | 111 | 469 |
| | <hr/> | <hr/> | <hr/> |
| <i>Depreciation</i> | | | |
| At 28 December 2014 | 235 | 47 | 282 |
| Provided for the period | 72 | 16 | 88 |
| Disposals | (32) | - | (32) |
| | <hr/> | <hr/> | <hr/> |
| At 27 December 2015 | 275 | 63 | 338 |
| | <hr/> | <hr/> | <hr/> |
| <i>Net book value</i> | | | |
| At 27 December 2015 | 83 | 48 | 131 |
| | <hr/> | <hr/> | <hr/> |
| At 28 December 2014 | 143 | 61 | 204 |
| | <hr/> | <hr/> | <hr/> |

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

9 Goodwill

| Group | Goodwill £'000 |
|--|-------------------|
| <i>Cost</i> | |
| At 28 December 2014 and 27 December 2015 | 975 |
| <i>Amortisation</i> | |
| At 28 December 2014 | 244 |
| Provided for the period | 49 |
| At 27 December 2015 | 293 |
| <i>Net book value</i> | |
| At 27 December 2015 | 682 |
| At 28 December 2014 | 731 |

The goodwill carried forward of £682,000 relates to the acquisition of the business.

Company

| | Investments in group undertakings £'000 |
|-----------------------|--|
| <i>Cost</i> | |
| At 29 December 2014 | 987 |
| <i>Net book value</i> | |
| At 27 December 2015 | 987 |
| At 28 December 2014 | 987 |

The subsidiary undertakings at the balance sheet date were:

| Company | Country of registration | Nature of business | Shares held Class | % |
|---------------------------------|----------------------------|--------------------|----------------------|-----|
| Subsidiary undertakings: | | | | |
| <i>Directly held:</i> | | | | |
| LT Pub Leasing Limited | England | Pub management | Ordinary | 100 |
| LT Pub Support Services Limited | England | Pub management | Ordinary | 100 |
| LT Management Services Limited | England | Pub management | Ordinary | 100 |

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

10 Stock

| | Group 27 December 2015 £'000 | Group 28 December 2014 £'000 | Company 27 December 2015 £'000 | Company 28 December 2014 £'000 |
|-----------------------|---------------------------------------|---------------------------------------|---|---|
| Goods held for resale | 194 | 177 | - | - |

11 Debtors

| | Group 27 December 2015 £'000 | Group 28 December 2014 £'000 | Company 27 December 2015 £'000 | Company 28 December 2014 £'000 |
|-------------------------------------|---------------------------------------|---------------------------------------|---|---|
| Trade debtors | 1,244 | 851 | - | - |
| Other debtors | 753 | 1,043 | 3 | 3 |
| Prepayments and accrued income | 487 | 553 | - | - |
| Amounts due from group undertakings | - | - | 746 | 551 |
| Deferred tax asset | 188 | 188 | - | - |
| | <u>2,672</u> | <u>2,635</u> | <u>749</u> | <u>554</u> |

12 Creditors: amounts falling due within one year

| | Group 27 December 2015 £'000 | Group 28 December 2014 £'000 | Company 27 December 2015 £'000 | Company 28 December 2014 £'000 |
|-----------------------------------|---------------------------------------|---------------------------------------|---|---|
| Trade creditors | 2,320 | 1,376 | 15 | 15 |
| Other creditors | 716 | 1,166 | - | - |
| Accruals and deferred income | 543 | 659 | - | - |
| Amounts due to group undertakings | - | - | - | 408 |
| Corporation tax | 16 | - | - | - |
| | <u>3,595</u> | <u>3,201</u> | <u>15</u> | <u>423</u> |

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

13 Share capital

| | 27 December 2015 £ | 28 December 2014 £ |
|---|--------------------------|--------------------------|
| <i>Authorised</i> | | |
| Equity interests | | |
| 500,000 ordinary shares of £1 each | 500,000 | 500,000 |
| <i>Issued, called up and fully paid</i> | | |
| Equity interests | | |
| Ordinary shares of £1 each | 55,001 | 55,001 |

14 Reserves

| Group | Share Premium Account £'000 | Profit and loss Account £'000 |
|-----------------------|--------------------------------------|--|
| At 29 December 2014 | 470 | 839 |
| Dividend Paid | - | (400) |
| Profit for the period | - | 605 |
| At 27 December 2015 | 470 | 1,044 |
| Company | | Profit and loss Account £'000 |
| At 29 December 2014 | | 594 |
| Dividend paid | | (400) |
| Profit for the period | | 1,003 |
| | | 1,197 |
| At 27 December 2015 | | 1,197 |

The company owns treasury shares, 2,500 of its own £1 ordinary shares, which were purchased for £50,000. The company's and group's profit and loss account reserve is stated net of the £50,000 treasury shares.

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

15 Reconciliation of movement in shareholders' funds

| | 52 weeks ended 27 December 2015 £'000 | 52 weeks ended 28 December 2014 £'000 |
|---|---|---|
| Profit for the period | 605 | 601 |
| Dividend paid | (400) | (850) |
| Net addition/(reduction) to shareholders' funds | 205 | (249) |
| Opening shareholders' funds | 1,364 | 1,613 |
| Closing shareholders' funds | 1,569 | 1,364 |

16 Reconciliation of operating profit to net cash inflow from operating activities

| | 52 weeks ended 27 December 2015 £ | 52 weeks ended 28 December 2014 £ |
|------------------------------------|---|---|
| Group operating profit | 626 | 610 |
| Depreciation | 87 | 95 |
| Amortisation | 49 | 49 |
| (Increase) / Decrease in stocks | (17) | 468 |
| (Increase) / Decrease in debtors | (37) | 1,476 |
| Increase / (Decrease) in creditors | 376 | (3,949) |
| | 1,084 | (1,251) |

LT Pub Management Plc

Notes forming part of the financial statements
for the period ended 27 December 2015 (*continued*)

18 Reconciliation of net cash outflow to movement in net funds

| | 52 weeks ended 27 December £'000 | 52 weeks ended 28 December £'000 |
|---|---|---|
| Increase / (Decrease) in cash in the period | 665 | (2,215) |
| Net funds at start of period | 820 | 3,035 |
| Net funds at end of period | <u>1,485</u> | <u>820</u> |

19 Ultimate controlling party

In the opinion of the Directors, the ultimate controlling party as at 27 December 2015 is Burac Invest & Trade Corp.

20 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, 'Related Party Transactions', not to disclose any transactions with wholly owned subsidiaries that are included in the consolidated financial statements of LT Pub Management Plc.