

Report of the Directors and
Financial Statements
for the Year Ended 31 March 2000

for
Richard J Lodge Limited

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**Contents of the Financial Statements
for the Year Ended 31 March 2000**

	Page
<i>Company Information</i>	1
<i>Report of the Directors</i>	2
<i>Report of the Auditors</i>	3
<i>Profit and Loss Account</i>	4
<i>Balance Sheet</i>	5
<i>Notes to the Financial Statements</i>	6
<i>Trading and Profit and Loss Account</i>	14

Richard J Lodge Limited
Company Information
for the Year Ended 31 March 2000

DIRECTORS:

R J Lodge
N Whitworth
C A Evans

SECRETARY:

N Whitworth

REGISTERED OFFICE:

123 Britannia Road
Morley
Leeds
LS27 0AR

REGISTERED NUMBER:

1259921 (England and Wales)

AUDITORS:

Wilson Braithwaite Scholey
Registered Auditor
Chartered Accountants
21-27 St Paul's Street
Leeds
LS1 2ER

**Report of the Directors
for the Year Ended 31 March 2000**

The directors present their report with the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of fish restaurateurs and retailers.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

Dividends of £2,042.82 were paid on the last day of every month of the year.

The total distribution of dividends for the year ended 31 March 2000 is £24,514.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

R J Lodge
N Whitworth

The directors holding office at 31 March 2000 did not hold any beneficial interest in the issued share capital of the company at 1 April 1999 or 31 March 2000.

Mrs C A Evans was appointed as a director on 1 June 2000.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

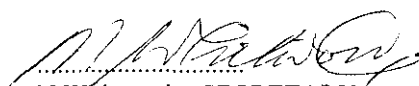
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

AUDITORS

The auditors, Wilson Braithwaite Scholey, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


N Whitworth - SECRETARY

Dated: 6/7/00

Richard J Lodge Limited

**Report of the Auditors to the Shareholders of
Richard J Lodge Limited**

We have audited the financial statements on pages four to thirteen which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wilson Braithwaite Scholey
Registered Auditor
Chartered Accountants
21-27 St Paul's Street
Leeds
LS1 2ER

Dated:



Richard J Lodge Limited

Profit and Loss Account
for the Year Ended 31 March 2000

		31.3.00	31.3.99
	Notes	£	£
TURNOVER		1,827,330	1,743,372
Cost of sales		1,187,199	1,094,880
GROSS PROFIT		640,131	648,492
Administrative expenses		567,645	560,157
OPERATING PROFIT	3	72,486	88,335
Interest receivable and similar income		512	3,920
		72,998	92,255
Interest payable and similar charges	4	23,101	30,879
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,897	61,376
Tax on profit on ordinary activities	5	18,214	15,403
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		31,683	45,973
Dividends	6	24,514	26,714
		7,169	19,259
Retained profit/(deficit) brought forward		10,715	(8,544)
RETAINED PROFIT CARRIED FORWARD		£17,884	£10,715

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Richard J Lodge Limited

Balance Sheet
31 March 2000

		31.3.00		31.3.99	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		259,500		304,000
Tangible assets	8		152,687		145,437
			<u>412,187</u>		<u>449,437</u>
CURRENT ASSETS:					
Stocks	9	30,958		28,296	
Debtors	10	9,618		28,794	
Cash at bank and in hand		1,425		2,435	
		<u>42,001</u>		<u>59,525</u>	
CREDITORS: Amounts falling due within one year	11	392,742		370,037	
NET CURRENT LIABILITIES:			<u>(350,741)</u>		<u>(310,512)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			61,446		138,925
CREDITORS: Amounts falling due after more than one year	12		(27,261)		(112,498)
PROVISIONS FOR LIABILITIES AND CHARGES:	16		(589)		-
			<u>£33,596</u>		<u>£26,427</u>
CAPITAL AND RESERVES:					
Called up share capital	17		10,000		10,000
Other reserves	18		5,712		5,712
Profit and loss account			17,884		10,715
Shareholders' funds	22		<u>£33,596</u>		<u>£26,427</u>

ON BEHALF OF THE BOARD:

R J Lodge
R J Lodge - DIRECTOR

Approved by the Board on 6/7/00

**Notes to the Financial Statements
for the Year Ended 31 March 2000**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Purchased goodwill is amortised over its expected useful life of 20 years following the year of acquisition.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

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. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	31.3.00	31.3.99
	£	£
Wages and salaries	531,586	602,662
Social security costs	38,014	38,430
Other pension costs	6,216	4,994
	<u>575,816</u>	<u>646,086</u>

Richard J Lodge Limited

Notes to the Financial Statements
for the Year Ended 31 March 2000

2. **STAFF COSTS - continued**

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

	31.3.00	31.3.99
Administration	7	8
Sales	46	47
	<u>53</u>	<u>55</u>

3. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.3.00	31.3.99
	£	£
Other operating leases	80,000	80,000
Depreciation - owned assets	34,053	24,839
Depreciation - assets on hire purchase contracts	2,278	9,050
Loss/(Profit) on disposal of fixed assets	2,679	(800)
Goodwill written off	44,500	16,000
Auditors' remuneration	3,750	3,500
	<u>133,842</u>	<u>128,964</u>
Directors' emoluments	133,842	128,964
Directors' pension contributions to money purchase schemes	4,933	4,600
	<u>4,933</u>	<u>4,600</u>

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	31.3.00	31.3.99
	£	£
Bank interest	2,828	216
Interest on other loans	14,063	26,563
Hire purchase	6,210	4,100
	<u>23,101</u>	<u>30,879</u>

5. **TAXATION**

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

	31.3.00	31.3.99
	£	£
UK corporation tax	17,625	16,715
Prior year overprovision	-	(1,312)
Deferred taxation	589	-
	<u>18,214</u>	<u>15,403</u>

UK corporation tax has been charged at 20% (1999 - 21%).

Richard J Lodge Limited

Notes to the Financial Statements
for the Year Ended 31 March 2000

6. **DIVIDENDS**

	31.3.00 £	31.3.99 £
Equity shares:		
Interim dividends paid	24,514	-
Final dividend proposed	-	26,714
	<u>24,514</u>	<u>26,714</u>

Dividends of £2,042.82 were paid on the last day of every month of the year .

7. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST:	
At 1 April 1999 and 31 March 2000	<u>320,000</u>
AMORTISATION:	
At 1 April 1999	16,000
Charge for year	<u>44,500</u>
At 31 March 2000	<u>60,500</u>
NET BOOK VALUE:	
At 31 March 2000	<u>259,500</u>
At 31 March 1999	<u>304,000</u>

Goodwill has an expected useful life of 20 years.

The amortisation charge has been increased by £28,500 to reflect the sale of goodwill after the year-end. The net book value stated above now equates to the proceeds from the sale of goodwill after the year-end.

**Notes to the Financial Statements
for the Year Ended 31 March 2000**

8. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 April 1999	45,972	92,427	54,993	193,392
Additions	-	8,563	64,118	72,681
Disposals	-	-	(54,993)	(54,993)
At 31 March 2000	45,972	100,990	64,118	211,080
DEPRECIATION:				
At 1 April 1999	1,500	30,262	16,193	47,955
Charge for year	1,500	22,013	12,818	36,331
Eliminated on disposals	-	-	(25,893)	(25,893)
At 31 March 2000	3,000	52,275	3,118	58,393
NET BOOK VALUE:				
At 31 March 2000	42,972	48,715	61,000	152,687
At 31 March 1999	44,472	62,165	38,800	145,437

The net book value of tangible fixed assets includes £40,000 (1999 - £26,000) in respect of assets held under hire purchase contracts.

9. STOCKS

	31.3.00	31.3.99
	£	£
Foodstuffs	21,751	20,538
Sundry stocks	9,207	7,758
	<u>30,958</u>	<u>28,296</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.00	31.3.99
	£	£
Trade debtors	234	183
Other debtors	-	19,153
Prepayments & accrued income	9,384	9,458
	<u>9,618</u>	<u>28,794</u>

Included in other debtors is £Nil (1999 - £19,153) in respect of an overdrawn directors loan account for R J Lodge.

Richard J Lodge Limited

Notes to the Financial Statements
for the Year Ended 31 March 2000

11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	31.3.00 £	31.3.99 £
Bank loans and overdrafts (see note 13)	148,793	116,625
Other loans (see note 13)	77,327	93,532
Hire purchase contracts (see note 14)	6,687	5,500
Trade creditors	74,323	58,575
Other creditors	8,947	5,657
Dividend proposed	-	26,714
Social security & other taxes	26,522	19,635
Corporation tax	17,625	16,715
Accruals and deferred income	32,518	27,084
	<u>392,742</u>	<u>370,037</u>

12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	31.3.00 £	31.3.99 £
Other loans (see note 13)	-	93,750
Hire purchase contracts (see note 14)	27,261	18,748
	<u>27,261</u>	<u>112,498</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.3.00 £	31.3.99 £
Amounts falling due within one year or on demand:		
Bank overdrafts	148,793	116,625
Other loans	77,327	93,532
	<u>226,120</u>	<u>210,157</u>
Amounts falling due between two and five years:		
Other loans	-	93,750
	<u>-</u>	<u>93,750</u>

Richard J Lodge Limited

Notes to the Financial Statements
for the Year Ended 31 March 2000

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	31.3.00	31.3.99
	£	£
Gross obligations repayable:		
Within one year	9,051	9,600
Between one and five years	31,594	20,798
	<u>40,645</u>	<u>30,398</u>
Finance charges repayable:		
Within one year	2,364	4,100
Between one and five years	4,333	2,050
	<u>6,697</u>	<u>6,150</u>
Net obligations repayable:		
Within one year	6,687	5,500
Between one and five years	27,261	18,748
	<u>33,948</u>	<u>24,248</u>

The following payments are committed to be paid within one year:

	Land and buildings operating leases	
	31.3.00	31.3.99
	£	£
Expiring:		
In more than five years	<u>50,000</u>	<u>80,000</u>

Richard J Lodge Limited

Notes to the Financial Statements for the Year Ended 31 March 2000

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.00	31.3.99
	£	£
Bank overdrafts	148,793	116,625
Other loans	77,327	187,282
	<u>226,120</u>	<u>303,907</u>

The bank overdraft is secured by a debenture dated 3 November 1997 comprising a fixed and floating charge over the assets of the company and by a charge over the company's freehold property dated 30 November 1998.

The other loan is secured by a debenture dated 3 November 1997 between the company and Mermaid Fish Restaurants Limited. This comprises a fixed and floating charge over the assets of the company.

A deed of priorities dated 3 November 1997 determines the bank debenture to apply in the first instance up to a principal sum of £65,000. The debenture with Mermaid Fish Restaurants Limited applies in the second instance without limit. The bank's debenture will then apply to any further amounts over £65,000 without limit.

16. PROVISIONS FOR LIABILITIES AND CHARGES

	31.3.00	31.3.99
	£	£
Deferred taxation	<u>589</u>	<u>-</u>
	Deferred taxation	
	£	
Profit and loss account	<u>589</u>	
Balance at 31 March 2000	<u>589</u>	

17. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.00	31.3.99
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

18. OTHER RESERVES

	31.3.00	31.3.99
	£	£
Capital reserve	<u>5,712</u>	<u>5,712</u>

19. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is Richard J Lodge Holdings Limited, a company registered in England and Wales. This company was controlled throughout the current and prior year by R J Lodge.

Richard J Lodge Limited

Notes to the Financial Statements
for the Year Ended 31 March 2000

20. CAPITAL COMMITMENTS

	31.3.00	31.3.99
	£	£
Contracted but not provided for in the financial statements	<u>66,291</u>	<u>-</u>

21. POST BALANCE SHEET EVENTS

The restaurant business at Dewsbury was sold on 10 April 2000 for a gross consideration of £272,500.

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.00	31.3.99
	£	£
Profit for the financial year	31,683	45,973
Dividends	<u>(24,514)</u>	<u>(26,714)</u>
NET ADDITION TO SHAREHOLDERS' FUNDS	7,169	19,259
Opening shareholders' funds	<u>26,427</u>	<u>7,168</u>
CLOSING SHAREHOLDERS' FUNDS	<u>33,596</u>	<u>26,427</u>
Equity interests	<u>33,596</u>	<u>26,427</u>