Company Registration No. 02180521 (England and Wales)

SME FAST FOODS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

KLSA
Chartered Accountants

PKF
Member firm of PKF International Ltd

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SME FAST FOODS LIMITED

COMPANY INFORMATION

Directors	Mr A M Esmail	(Appointed 1 April 2016)
	Mr S M Esmail	(Appointed 1 April 2017)
Company number	02180521	
Registered office	Runway House The Runway South Ruislip Middlesex HA4 6SE	
Auditor	KLSA LLP 28-30 St. John's Square London EC1M 4DN	
Bankers	Royal Bank of Scotland Plc 354 Station Road Harrow Middlesex HA1 2XZ	

SME FAST FOODS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 22

SME FAST FOODS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present the strategic report for the year ended 31 March 2017.

Fair review of the business
The results for the period under review and the financial position at the period end were considered satisfactory by the director. The company's objective is to achieve sustainable rates of growth and returns through a combination of organic growth and acquisition of new outlets.

As shown in the company's profit and loss account set out on page 7, the company made a profit after tax of £251,011 (2016 - £444,688).

The company's balance sheet on page 9 shows its net assets and is valued at £3,602,770 (2016 - £3,351,759).

Key Performance Indicators
The board monitors progress on the overall company strategy and the individual strategic elements by reference to a number of key performance indicators. The key financial performance indicators of the company are gross profit margins and turnover.

The gross profit of the company for the period under review was £2,295,588 (2016 - £2,244,228), producing a satisfactory gross margin of 70% (2016 - 69%) on a turnover of £3,293,815 (2016 - £3,266,613).

The key non-financial performance indicators are adherence to a high quality of operational standards set by the franchisors.

Principal risks and uncertainties
The management of the business and the execution of the company's strategy are subject to a number of risks. Risks are reviewed by the director and the appropriate processes put in place to monitor and mitigate them. The key business risks affecting the company are set out below:-

Competition
The company operates in a highly competitive market particularly around service offering, price and product quality. There is a risk that we will not meet our customers expectations. In order to mitigate this risk, the marketing teams from the franchisor monitor market offerings and pricing on an ongoing basis and the company, through the franchisor, undertakes regular mystery guest visits to all our restaurants to ensure menu offering and customer service are maintained to a high standard.

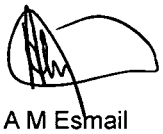
Employees
The company's performance depends largely on its managers and staff. The resignation of key individuals and the inability to recruit people with the right experience and skills could adversely impact the company's results. To mitigate these issues the company has invested in a training programme for all staff to maintain high service levels and have a number of schemes linked to the company's results that are designed to reward and retain key individuals.

Business
The company has an established base of suppliers and prides itself on the quality of its products. The company could be adversely affected by food safety and food-borne illnesses affecting the food chain. In order to mitigate this, the company purchases its food supplies from accredited suppliers.

Future Developments
The director aims to continue with management policies which has resulted in the company's steady growth in recent years.

The outlook for 2018 is reasonably encouraging with the director being optimistic that the current performance can be maintained.

On behalf of the board



Mr A M Esmail
Director
28 September 2017

SME FAST FOODS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their annual report and financial statements for the year ended 31 March 2017.

Principal activities
The principal activity of the company in the year under review were that of restaurateurs.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mrs S Esmail	(Resigned 31 March 2017)
Mr A M Esmail	(Appointed 1 April 2016)
Mr S M Esmail	(Appointed 1 April 2017)

Results and dividends
The results for the year are set out on page 7.

The directors do not recommend payment of an ordinary dividend.

Auditor
The auditor, KLSA LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

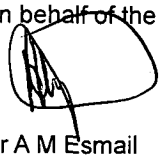
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- 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.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr A M Esmail
Director
28 September 2017

SME FAST FOODS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SME FAST FOODS LIMITED

We have audited the financial statements of SME Fast Foods Limited for the year ended 31 March 2017 set out on pages 7 to 22. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year 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, based on the work undertaken in the course of our audit, 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, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Shilpa Chheda (Senior Statutory Auditor)
for and on behalf of KLSA LLP
Chartered Accountants
Statutory Auditor
28-30 St. John's Square
London
EC1M 4DN

28 September 2017

SME FAST FOODS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Turnover	3	3,293,815	3,266,613
Cost of sales		(998,227)	(1,022,385)
Gross profit		2,295,588	2,244,228
Administrative expenses		(1,990,182)	(1,706,983)
Other operating income		47,789	49,114
Operating profit	4	353,195	586,359
Interest payable and similar expenses	6	(37,632)	(44,418)
Profit before taxation		315,563	541,941
Tax on profit	7	(64,552)	(97,253)
Profit for the financial year		251,011	444,688

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

SME FAST FOODS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Profit for the year	251,011	444,688
Other comprehensive income	-	-
Total comprehensive income for the year	251,011	444,688

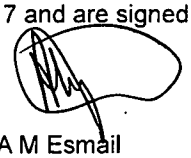
SME FAST FOODS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	9		2,444,866		2,614,918
Investment properties	10		510,000		510,000
			2,954,866		3,124,918
Current assets					
Stocks	12	19,408		16,885	
Debtors	13	1,662,277		1,894,328	
Cash at bank and in hand		862,249		397,962	
		2,543,934		2,309,175	
Creditors: amounts falling due within one year	14	(698,093)		(662,917)	
Net current assets			1,845,841		1,646,258
Total assets less current liabilities			4,800,707		4,771,176
Creditors: amounts falling due after more than one year	15		(1,154,346)		(1,339,789)
Provisions for liabilities	17		(43,591)		(79,628)
Net assets			3,602,770		3,351,759
Capital and reserves					
Called up share capital	20		100		100
Profit and loss reserves			3,602,670		3,351,659
Total equity			3,602,770		3,351,759

The financial statements were approved by the board of directors and authorised for issue on 28 September 2017 and are signed on its behalf by:



Mr A M Esmail
Director

Company Registration No. 02180521

SME FAST FOODS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2017

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2015	100	2,906,971	2,907,071
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	444,688	444,688
Balance at 31 March 2016	100	3,351,659	3,351,759
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	251,011	251,011
Balance at 31 March 2017	100	3,602,670	3,602,770

1 Accounting policies

Company information

SME Fast Foods Limited is a private company limited by shares incorporated in England and Wales. The registered office is Runway House, The Runway, South Ruislip, Middlesex, HA4 6SE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The accounts of SME Fast Foods Limited have also adopted the following FRS 102 disclosure exemptions: financial instrument disclosures, including:

- categories of financial instruments;
- items of income, expenses, gains or losses relating to financial instruments, and
- exposure to and management of financial risks

The company has taken advantage of the exemption under FRS 102, from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, SME Investments Limited, includes the company's cash flows in its own consolidated financial statements.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors also assess that the group has sufficient resources and assets to meet its liabilities.Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold provided to customers. Turnover from restaurants is recognised when payment is tendered by the customer at the point of sale.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% on the cost of bulidings.
Land and buildings Leasehold	Over the term of the lease.
Fixtures, fittings & equipment	20% reducing balance.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies **(Continued)**

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.16 Rental income

Rental income is accounted for in the profit and loss on a receivable basis.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover analysed by class of business		
Restaurateurs	3,293,815	3,266,613

	2017	2016
	£	£
Turnover analysed by geographical market		
United Kingdom	3,293,815	3,266,613

4 Operating profit

Operating profit for the year is stated after charging:	2017 £	2016 £
Fees payable to the company's auditor for the audit of the company's financial statements	2,000	2,750
Depreciation of owned tangible fixed assets	248,654	106,372
Cost of stocks recognised as an expense	998,227	1,022,385

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Management staff	3	3
Operational staff	47	48
	50	51

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	742,833	679,806
Social security costs	48,068	42,802
Pension costs	3,808	2,391
	794,709	724,999

6 Interest payable and similar expenses

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	37,632	44,418

7 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	100,589	105,609
Deferred tax		
Origination and reversal of timing differences	(36,037)	(8,356)
Total tax charge	64,552	97,253

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Profit before taxation	315,563	541,941
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	63,113	108,388
Tax effect of expenses that are not deductible in determining taxable profit	105	105
Group relief	-	(11,000)
Depreciation on assets not qualifying for tax allowances	49,731	21,274
Capital allowances	(12,360)	(13,158)
Deferred tax adjustments	(36,037)	(8,356)
Taxation charge for the year	64,552	97,253

8 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2016 and 31 March 2017	150,000
Amortisation and impairment	
At 1 April 2016 and 31 March 2017	150,000
Carrying amount	
At 31 March 2017	-
At 31 March 2016	-

9 Tangible fixed assets

	Land and buildings Freehold	Land and buildings Leasehold	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2016	1,113,210	540,321	1,886,484	3,540,015
Additions	26,000	-	52,602	78,602
At 31 March 2017	1,139,210	540,321	1,939,086	3,618,617
Depreciation and impairment				
At 1 April 2016	71,548	75,055	778,494	925,097
Depreciation charged in the year	11,132	5,404	232,118	248,654
At 31 March 2017	82,680	80,459	1,010,612	1,173,751
Carrying amount				
At 31 March 2017	1,056,530	459,862	928,474	2,444,866
At 31 March 2016	1,041,662	465,266	1,107,990	2,614,918

During the year the depreciation policy on furniture, fittings & equipment has been changed to 20% on a reducing balance basis from 7.5% on a reducing balance basis. In the directors opinion this give a more true and fair view of the consumption of the type of asset included within this classification. The change has been effected against stated net book values at the time of change and there is no impact on the comparative figures.

10 Investment property

	2017
	£
Fair value	
At 1 April 2016 and 31 March 2017	510,000

10 Investment property **(Continued)**

The investment properties were valued on 25 September 2017 by R. Whitley & Co., Chartered Surveyors, on an open market basis. In the opinion of the directors, the market value at the balance sheet date is not materially different to this valuation.

On an historical cost basis these would have been included at an original cost of £491,464 (2016 - £491,464).

11 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,655,818	1,887,599
Carrying amount of financial liabilities		
Measured at amortised cost	1,661,877	1,786,817

12 Stocks

	2017	2016
	£	£
Consumables	19,408	16,885

13 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Amounts due from group undertakings	1,617,157	1,800,768
Other debtors	38,661	86,831
Prepayments and accrued income	6,459	6,729
	1,662,277	1,894,328

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

14 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	16	96,118	121,968
Trade creditors		276,540	173,935
Amounts due to group undertakings		84,577	84,316
Corporation tax		100,324	105,517
Other taxation and social security		90,238	110,372
Other creditors		5,846	18,356
Accruals and deferred income		44,450	48,453
		698,093	662,917

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

15 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	16	1,154,346	1,339,789

16 Loans and overdrafts

	2017 £	2016 £
Bank loans	1,250,464	1,461,757
Payable within one year	96,118	121,968
Payable after one year	1,154,346	1,339,789

The bank loans and overdraft are secured by a fixed charge over the freehold properties and by a debenture over the other assets of the company. The loans are subject to commercial rates of interest. The repayment terms of the bank loans range from monthly and quarterly payments of interest and/or capital and interest.

17 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	18	43,591	79,628

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017	Liabilities 2016
Balances:	£	£
ACAs	11,549	45,440
Revaluation of investment properties	32,042	34,188
	43,591	79,628

	2017
Movements in the year:	£
Liability at 1 April 2016	79,628
Credit to profit or loss	(36,037)
Liability at 31 March 2017	43,591

19 Retirement benefit schemes

	2017	2016
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,808	2,391

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

21 Financial commitments, guarantees and contingent liabilities

The company has given cross guarantees for the bank facilities of the holding company and group subsidiary undertakings.

22 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption available in FRS 102 (s33 "Related Party Disclosure"), whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

During the period, the company paid management fees of £197,628 (2016: £195,997) to SME Group Plc, the ultimate parent company. At the balance sheet date, the balance receivable from SME Group Plc amounted to £812,913 (2016 :£ 890,880).

At the period end, the balance receivable from non-wholly owned subsidiary undertakings of the group amounted to £909,854 (2016: £909,888).

At the period end, the balance payable to non-wholly owned subsidiary undertakings of the group amounted to £28,499 (2016: £28,210).

23 Controlling party

In the opinion of the director, the immediate parent company is SME Investments Ltd and the ultimate parent company is SME Group Plc, both companies are registered in England and Wales.

The smallest group for which SME Fast Foods Limited is a member for which group financial statements are prepared is SME Investments Limited. The largest such group is SME Group Plc, whose copies can be obtained from Charlwood House, The Runway, South Ruislip, Middlesex HA4 6SE.

The ultimate controlling party is Mrs S Esmail.