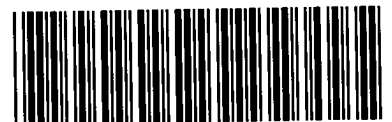


CAVANNA GROUP MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2014



CAVANNA GROUP MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

J M Cavanna
M G Cavanna
J Cavanna
E J C Rapson
B Bargent (appointed 4 July 2014)

COMPANY SECRETARY

B Bargent

REGISTERED NUMBER

04214607

REGISTERED OFFICE

Cavanna House
Riviera Park
Nicholson Road
Torquay
Devon
TQ2 7TD

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
50 The Terrace
Torquay
Devon
TQ1 1DD

BANKERS

Lloyds TSB Bank plc
PO Box 128
8 Royal Parade
Plymouth
Devon
PL1 1HB

SOLICITORS

Boyce Hatton
58 The Terrace
Torquay
Devon
TQ1 1DE

Michelmores
Woodwater House
Pynes Hill
Exeter
Devon
EX2 5WR

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

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CAVANNA GROUP MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2014

The directors present their report and the financial statements for the year ended 30 November 2014.

RESULTS

The profit for the year, after taxation, amounted to £17,876 (2013: £65,869).

DIRECTORS

The directors who served during the year were:

J M Cavanna
M G Cavanna
J Cavanna
E J C Rapson
B Bargent (appointed 4 July 2014)

DISCLOSURE OF INFORMATION TO AUDITORS

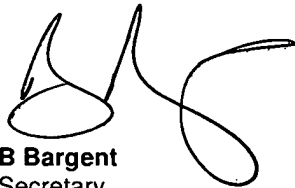
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



B Bargent
Secretary

Date: 4/3/15

Cavanna House
Riviera Park
Nicholson Road
Torquay
Devon
TQ2 7TD

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2014

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 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 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.

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CAVANNA GROUP MANAGEMENT SERVICES LIMITED

We have audited the financial statements of Cavanna Group Management Services Limited for the year ended 30 November 2014, set out on pages 5 to 11. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's 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 Directors' responsibilities statement, 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 Directors' 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 30 November 2014 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CAVANNA GROUP MANAGEMENT SERVICES LIMITED

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, 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Pamela Tuckett FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
50 The Terrace
Torquay
Devon
TQ1 1DD

Date: 13/3/15

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	4,616,635	4,081,376
Administrative expenses		(4,551,842)	(3,978,681)
OPERATING PROFIT	3	64,793	102,695
EXCEPTIONAL ITEMS			
Contribution payable for group relief of losses	6	(36,295)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		28,498	102,695
Interest receivable and similar income		-	2
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		28,498	102,697
Tax on profit on ordinary activities	7	(10,622)	(36,828)
PROFIT FOR THE FINANCIAL YEAR	12	17,876	65,869

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 7 to 11 form part of these financial statements.

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

REGISTERED NUMBER: 04214607

BALANCE SHEET

AS AT 30 NOVEMBER 2014

	Note	£	2014 £	£	2013 £
CURRENT ASSETS					
Debtors	8	732,702		712,948	
CREDITORS: amounts falling due within one year	9	<u>(731,702)</u>		<u>(711,948)</u>	
NET CURRENT ASSETS			<u>1,000</u>		<u>1,000</u>
NET ASSETS			<u><u>1,000</u></u>		<u><u>1,000</u></u>
CAPITAL AND RESERVES					
Called up share capital	11		<u>1,000</u>		<u>1,000</u>
SHAREHOLDERS' FUNDS	13		<u><u>1,000</u></u>		<u><u>1,000</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J M Cavanna
Director

Date:

4/3/15

The notes on pages 7 to 11 form part of these financial statements.

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 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.

1.4 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 not discounted.

1.5 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.

2. TURNOVER

The whole of the turnover is attributable to management services provided.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

Auditor's remuneration is disclosed in the parent company accounts.

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

4. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	3,396,306	3,009,156
Social security costs	344,157	307,227
Other pension costs	403,858	304,151
	<u>4,144,321</u>	<u>3,620,534</u>

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

	2014 No.	2013 No.
Directors (including group companies)	6	5
Administration staff	11	9
Sales staff	15	13
Construction/design/technical	58	52
	<u>90</u>	<u>79</u>

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>565,841</u>	<u>507,596</u>
Company pension contributions to defined contribution pension schemes	<u>174,397</u>	<u>157,392</u>

During the year retirement benefits were accruing to 6 directors (2013: 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £164,087 (2013: £157,341).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £39,851 (2013: £43,018).

Directors' remuneration disclosed includes that of all directors within the group including fellow subsidiary directors.

6. EXCEPTIONAL ITEMS

	2014 £	2013 £
Contribution payable for group relief of losses	<u>36,295</u>	<u>-</u>

The company has paid for group losses on a pound for pound basis.

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014**

7. TAXATION

	2014 £	2013 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the year	8,571	46,021
DEFERRED TAX (see note 10)		
Origination and reversal of timing differences	2,051	(9,193)
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>10,622</u>	<u>36,828</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2013: higher than) the standard rate of corporation tax in the UK of 21% (2013: 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>28,498</u>	<u>102,697</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013: 23%)	5,985	23,620
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,803	1,923
Other differences leading to an increase (decrease) in the tax charge	1,212	20,615
Marginal relief	-	(137)
Effects of tax rate changes	(429)	-
CURRENT TAX CHARGE FOR THE YEAR (see note above)	<u>8,571</u>	<u>46,021</u>

8. DEBTORS

	2014 £	2013 £
Amounts owed by group undertakings	707,281	685,392
Other debtors	2,904	2,988
Deferred tax asset (see note 10)	22,517	24,568
	<u>732,702</u>	<u>712,948</u>

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014**

**9. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Bank loans and overdrafts	32,055	53,515
Trade creditors	3,620	8,010
Corporation tax	8,571	46,021
Other taxation and social security	117,854	104,488
Accruals and deferred income	569,602	499,914
	<u>731,702</u>	<u>711,948</u>

10. DEFERRED TAX ASSET

	2014 £	2013 £
At beginning of year	24,568	15,375
Released during/(charge for) the period	(2,051)	9,193
	<u>22,517</u>	<u>24,568</u>
At end of year		

The deferred tax asset is made up as follows:

	2014 £	2013 £
Other timing differences	<u>22,517</u>	<u>24,568</u>

11. SHARE CAPITAL

	2014 £	2013 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

12. RESERVES

	Profit and loss account £
Profit for the financial year	17,876
Dividends: Equity capital	(17,876)
	<u>-</u>
At 30 November 2014	<u>-</u>

CAVANNA GROUP MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	1,000	1,000
Profit for the financial year	17,876	65,869
Dividends (Note 14)	(17,876)	(65,869)
Closing shareholders' funds	<u>1,000</u>	<u>1,000</u>

14. DIVIDENDS

	2014 £	2013 £
Dividends paid on equity capital	<u>17,876</u>	<u>65,869</u>

15. CONTINGENT LIABILITIES

The company has entered into cross guarantees in respect of bank borrowings of other group companies.

16. 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 £403,858 (2013: £304,151). Contributions totalling £112,621 (2013: £106,816) were payable to the fund at the balance sheet date and are included in creditors.

17. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary undertaking of Cavanna Group Limited, the company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related party disclosures" in not disclosing intra group transactions where 100% of the voting rights are controlled within the group. No other related party transactions have occurred during the year that are required to be reported in accordance with FRS 8.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The holding company is Cavanna Group Limited, a company incorporated in England and Wales. Copies of the group financial statements can be obtained from the holding company's registered office Cavanna House, Riviera Park, Nicholson Road, Torquay, Devon.