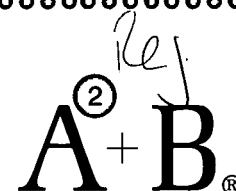


Registered number: SC097813



P B DEVELOPMENT COMPANY LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

WEDNESDAY



S5LTC1L7
SCT 14/12/2016 #242
COMPANIES HOUSE

P B DEVELOPMENT COMPANY LIMITED

COMPANY INFORMATION

Director

S A Clarkson

Company secretary

Burness Paull LLP

Registered number

SC097813

Registered office

Union Plaza, 6th Floor
1 Union Wynd
Aberdeen
AB10 1DQ

A²+B[®]

CONTENTS

	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditors' report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9 - 10
Notes to the financial statements	11 - 29

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Introduction

The principal activity of the company consists of the provision of catering foods, drinks and entertainment.

Business review

The director is satisfied with the trading results for the year and is confident that the company will continue to trade profitably despite difficult market conditions.

The results for the company show turnover for the year of £6,178,060 (2015 - £6,276,142) and a profit on ordinary activities before tax for the year of £108,148 (2015 - £344,104). The profit for the financial year of £227,350 (2015 - £266,999) has been added to retained earnings. Gross margin has remained consistent in the year at 67% (2015 - 68%).

The business operates from 8 establishments in the centre of Aberdeen.

Principal risks and uncertainties

The director is responsible for risk management and is responsible for establishing and implementing specific guidelines on the management of price, interest rate and liquidity risk.

Price risk

The company is exposed to commodity price risk as a result of ongoing operations. The company maintains good relations with trusted suppliers in order to keep costs down.

Interest rate risk

The company minimises its exposure to interest rate risk by securing competitive loans and ensuring all covenants and repayment schedules are adhered to.

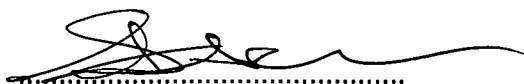
Liquidity risk

The company actively maintains sufficient cash balances to fund ongoing operations.

Financial key performance indicators

The Director considers turnover, gross profit margin and overall profit to be the key performance indicators and monitors these on an on going basis.

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



S A Clarkson
Director

Date: 10 November 2016

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2016**



The director presents his report and the financial statements for the year ended 31 March 2016.

Director

The director who served during the year was:

S A Clarkson

Future developments

The company will continue to face a highly competitive market following the year end. However, the director is confident that the company will continue to trade profitably.

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, Anderson Anderson & Brown 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.

S A Clarkson
Director

Date: 10 November 2016

**DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the director must not approve the financial statements unless 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 director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
P B DEVELOPMENT COMPANY LIMITED**



We have audited the financial statements of P B Development Company Limited for the year ended 31 March 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity, and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 Director's responsibilities statement, the director is 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 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Director's 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 2016 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 Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

P B DEVELOPMENT COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
P B DEVELOPMENT COMPANY 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Anderson Anderson & Brown LLP

Christopher Masson (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown LLP

Statutory Auditor

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: 10/11/16

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016



	Note	2016 £	2015 £
Turnover		6,178,060	6,276,142
Cost of sales		(1,993,447)	(2,008,920)
Gross profit		<u>4,184,613</u>	<u>4,267,222</u>
Administrative expenses		(4,035,967)	(3,908,443)
Operating profit		<u>148,646</u>	<u>358,779</u>
Interest receivable and similar income	7	1,628	34,567
Interest payable and expenses	8	(42,126)	(49,242)
Profit before tax		<u>108,148</u>	<u>344,104</u>
Tax on profit	9	119,202	(77,105)
Profit for the year		<u>227,350</u>	<u>266,999</u>
Total comprehensive income for the year		<u><u>227,350</u></u>	<u><u>266,999</u></u>

**BALANCE SHEET
AS AT 31 MARCH 2016**

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	10	37,458	44,208
Tangible assets	11	11,191,418	11,038,430
Investment property	12	850,874	850,704
		<u>12,079,750</u>	<u>11,933,342</u>
Current assets			
Stocks	13	197,562	210,892
Debtors: falling due within one year	14	637,596	688,377
Cash at bank and in hand	15	1,650,003	1,946,741
		<u>2,485,161</u>	<u>2,846,010</u>
Creditors: amounts falling due within one year	16	(1,978,187)	(1,126,549)
Net current assets		<u>506,974</u>	<u>1,719,461</u>
Total assets less current liabilities		<u>12,586,724</u>	<u>13,652,803</u>
Creditors: falling due after more than one year	17	(8,227)	(1,190,527)
Provisions for liabilities			
Deferred tax	21	(968,901)	(1,080,030)
		<u>(968,901)</u>	<u>(1,080,030)</u>
Net assets		<u><u>11,609,596</u></u>	<u><u>11,382,246</u></u>
Capital and reserves			
Called up share capital	22	10	10
Revaluation reserve		7,076,995	7,213,147
Profit and loss account		4,532,591	4,169,089
		<u><u>11,609,596</u></u>	<u><u>11,382,246</u></u>

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



S A Clarkson
Director

Date: 10 November 2016

The notes on pages 11 to 29 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016



	Share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2015	10	7,213,147	4,169,089	11,382,246
Comprehensive income for the year				
Profit for the year	-	-	227,350	227,350
Transfer between revaluation reserve and profit and loss account	-	(136,152)	136,152	-
At 31 March 2016	<u>10</u>	<u>7,076,995</u>	<u>4,532,591</u>	<u>11,609,596</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	Share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2014	10	7,349,308	3,765,929	11,115,247
Comprehensive income for the year				
Profit for the year	-	-	266,999	266,999
Transfer between revaluation reserve and profit and loss account	-	(136,161)	136,161	-
At 31 March 2015	<u>10</u>	<u>7,213,147</u>	<u>4,169,089</u>	<u>11,382,246</u>

The notes on pages 11 to 29 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**


	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	227,350	266,999
Adjustments for:		
Amortisation of intangible assets	6,750	6,750
Depreciation of tangible assets	389,695	350,663
Loss/(profit) on disposal of tangible assets	895	(835)
Decrease in stocks	13,330	80,958
Interest paid	42,126	49,242
Interest received	(1,628)	(34,567)
Taxation charge for the year	(119,202)	77,105
(Increase)/Decrease in debtors	(8,382)	20,119
Decrease in creditors	(27,834)	(67,448)
Corporation tax paid in the year	(63,200)	(262,012)
Net cash generated from operating activities	459,900	486,974
Cash flows from investing activities		
Purchase of tangible fixed assets	(538,578)	(389,745)
Sale of tangible fixed assets	5,000	15,000
Purchase of investment properties	(170)	(161,600)
Interest received	1,628	34,567
HP interest paid	(659)	-
Net cash from investing activities	(532,779)	(501,778)

STATEMENT OF CASH FLOWS (continued)
31 MARCH 2016**Cash flows from financing activities**

Repayment of loans	(250,000)	(250,000)
Repayment of other loans	(18,547)	(125,341)
Repayment of finance leases	(3,675)	-
Interest paid	(41,467)	(49,242)
Movement in director's loan	18,592	1,101,309
Related party financing	52,029	1,180,935

Net cash used in financing activities

	(243,068)	1,857,661
--	-----------	-----------

Net increase / (decrease) in cash and cash equivalents

	(315,947)	1,842,857
--	-----------	-----------

Cash and cash equivalents at beginning of year

	1,912,809	69,952
--	-----------	--------

Cash and cash equivalents at the end of year

	1,596,862	1,912,809
--	-----------	-----------

Cash and cash equivalents at the end of year comprise:

Cash at bank and in hand	1,650,003	1,946,741
Bank overdrafts	(53,141)	(33,932)
	1,596,862	1,912,809

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of heritable property and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Going concern

The director, having made due and careful enquiry and preparing forecasts, is of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The director, therefore, has made an informed judgement, at the time of approving the financial statements, that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the director has continued to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



1. Accounting policies (continued)

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss account over its useful economic life.

Amortisation is provided on the following bases:

Goodwill	- 10 %
----------	--------

1.5 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties and heritable property, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Heritable property	- 50 years
Furniture, fixtures and fittings	- 4-10 years
Motor vehicles	- 4-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

Base stock is not depreciated. Tenants improvements will be depreciated over the life of the lease term.

1.6 Revaluation of tangible fixed assets

Individual freehold properties are carried at deemed cost less accumulated depreciation as permitted by the transition rules within FRS 102. Deemed cost is based on the fair value determined by an independent valuation carried out in March 2012.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



1. Accounting policies (continued)

1.7 Investment property

Investment property is carried at fair value determined annually by the director and based on an independent valuation carried out in March 2012. The valuation is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Profit and loss account.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**



1. Accounting policies (continued)

1.11 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

1.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.14 Pensions

The Company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**



1. Accounting policies (continued)

Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.15 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

1.16 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

1.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

Valuation of debtors

The company makes an assessment of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management consider various factors including the ageing profile of debtors and financial performance of the party to which the debt is due from.

Valuation of investment property

The investment property is carried at fair value based on an independent valuation which was carried out in March 2012. The director makes an annual assesment of this valuation with due consideration given to the current property market and comparable yields of similar properties.

3. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	389,695	350,663
Amortisation of intangible assets, including goodwill	6,750	6,750
Loss/(gain) on disposal of fixed assets	895	(835)
Defined contribution pension cost	12,551	9,679
	<u> </u>	<u> </u>

4. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>12,500</u>	<u>12,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**5. Employees**

Staff costs, including director's remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	1,997,315	1,901,336
Social security costs	145,211	165,830
Cost of defined contribution scheme	12,551	9,679
	<u>2,155,077</u>	<u>2,076,845</u>

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

	2016 No.	2015 No.
Management and administration	30	30
Bar/Restaurant	147	144
	<u>177</u>	<u>174</u>

6. Director's remuneration

	2016 £	2015 £
Director's emoluments	247,900	298,227
Company contributions to defined contribution pension schemes	4,532	4,532
	<u>252,432</u>	<u>302,759</u>

During the year retirement benefits were accruing to 1 director (2015 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £247,900 (2015 - £298,227).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,532 (2015 - £4,532).

All directors and certain senior employees, who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personell. Total remuneration, excluding the director whose remuneration is already disclosed above, in respect of these individuals is £83,203 (2015 - £133,466).

7. Interest receivable

	2016 £	2015 £
Other interest receivable	1,628	34,567
	<u>1,628</u>	<u>34,567</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

8. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	41,047	49,242
Finance leases and hire purchase contracts	659	-
Other interest payable	420	-
	<u>42,126</u>	<u>49,242</u>

9. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	9,742	63,153
Adjustments in respect of previous periods	(17,815)	(128)
	<u>(8,073)</u>	<u>63,025</u>
Total current tax	<u>(8,073)</u>	<u>63,025</u>
Deferred tax		
Origination and reversal of timing differences	34,023	4,014
Adjustments in respect of prior periods	(25,173)	-
Deferred tax rate change on opening balance	(4,294)	-
Indexation adjustment on potential property revaluation gain	(14,493)	10,066
Deferred tax rate change relating to fixed asset revaluation	(101,192)	-
Total deferred tax	<u>(111,129)</u>	<u>14,080</u>
Taxation on (loss)/profit on ordinary activities	<u>(119,202)</u>	<u>77,105</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	108,148	344,104
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	21,630	72,262
Effects of:		
Fixed asset differences	38,408	723
Expenses not deductible for tax purposes	1,507	743
Adjustments to tax charge in respect of prior periods	(42,988)	(128)
Deferred tax rate change relating to fixed asset revaluation	(101,192)	-
Indexation adjustment on deferred tax on property revaluation gain	(14,493)	10,066
Non-taxable income	(14,000)	(5,250)
Adjust deferred tax to average rate	(8,074)	(201)
Marginal relief	-	(1,110)
Total tax charge for the year	(119,202)	77,105

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

10. Intangible assets

	Goodwill £
Cost	
At 1 April 2015	67,500
At 31 March 2016	67,500
Amortisation	
At 1 April 2015	23,292
Charge for the year	6,750
At 31 March 2016	30,042
Net book value	
At 31 March 2016	37,458
At 31 March 2015	44,208

11. Tangible fixed assets

	Heritable property £	Tenant improvements £	Furniture, fixtures and fittings £	Motor vehicles £	Basestock, cutlery and glassware £	Total £
Cost or valuation						
At 1 April 2015	11,137,014	92,385	1,883,560	170,467	28,674	13,312,100
Additions	155,060	249,278	128,310	15,930	-	548,578
Disposals	-	-	-	(7,877)	-	(7,877)
At 31 March 2016	11,292,074	341,663	2,011,870	178,520	28,674	13,852,801
Depreciation						
At 1 April 2015	668,243	-	1,521,176	84,251	-	2,273,670
Charge owned for the period	225,727	11,745	124,931	18,036	-	380,439
Charge financed for the period	-	-	-	9,256	-	9,256
Disposals	-	-	-	(1,982)	-	(1,982)
At 31 March 2016	893,970	11,745	1,646,107	109,561	-	2,661,383
At 31 March 2016	10,398,104	329,918	365,763	68,959	28,674	11,191,418
At 31 March 2015	10,468,771	92,385	362,384	86,216	28,674	11,038,430

11. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Motor vehicles	37,023	30,349
	<u>37,023</u>	<u>30,349</u>

Following adoption of FRS102 heritable property is recognised at deemed cost. This amount is based upon the revaluation which was carried out by the director in consultation with independent chartered surveyors as at March 2012. All valuations were prepared on an open market value basis for existing use. The director re-assessed this valuation prior to transition and considered there to be no material change.

12. Investment property

	Freehold investment property £
Valuation	
At 1 April 2015	850,704
Additions at cost	170
At 31 March 2016	850,874

The investment property was revalued by the director in consultation with independent chartered surveyors as at March 2012. All valuations were prepared on an open market value basis for existing use and are recorded in these accounts.

If the investment properties had not been revalued, they would be stated on a historical cost basis at £756,157.

The director considers that there has been no material change in property values at the year end.

No depreciation is charged on investment properties.

13. Stocks

	2016 £	2015 £
Goods for resale	197,562	210,892
	197,562	210,892

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**14. Debtors**

	2016 £	2015 £
Trade debtors	36,951	21,326
Amounts owed by related parties	392,446	441,137
Other debtors	174,850	169,951
Prepayments and accrued income	33,349	55,963
	<u>637,596</u>	<u>688,377</u>

15. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	1,650,003	1,946,741
Less: bank overdrafts	(53,141)	(33,932)
	<u>1,596,862</u>	<u>1,912,809</u>

16. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	53,141	33,932
Bank loans (note 18)	1,187,500	250,000
Other loans (note 18)	-	18,547
Trade creditors	429,697	513,722
Amounts owed to related parties	3,338	-
Corporation tax	-	63,153
Taxation and social security	175,572	151,338
Obligations under finance lease and hire purchase contracts	4,152	3,027
Other creditors	3,913	5,586
Accruals and deferred income	120,874	87,244
	<u>1,978,187</u>	<u>1,126,549</u>

Secured loans

The borrowings are secured by a standard security over two of the company's properties, and a bond and floating charge over the company's assets and undertakings.

The company has also granted cross guarantees in favour of Granite Rock Casino Limited of £510,000 in respect of bank indebtedness of this related party.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**17. Creditors: Amounts falling due after more than one year**

	2016 £	2015 £
Bank loans (note 18)	-	1,187,500
Net obligations under finance leases and hire purchase contracts	8,227	3,027
	<u>8,227</u>	<u>1,190,527</u>

18. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	1,187,500	250,000
Other loans	-	18,547
	<u>1,187,500</u>	<u>268,547</u>
Amounts falling due 1-2 years		
Bank loans	-	1,187,500
Total	<u>1,187,500</u>	<u>1,456,047</u>

The bank loan bears interest at a rate of 2.5% over LIBOR and is repayable in quarterly instalments of £62,500 and a final repayment which is due within one year. Since the year end the director has entered into discussions with the bank around restructuring the payment period of the loan.

19. Hire purchase & finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	4,654	3,215
Between 1-2 years	120	3,215
	<u>4,774</u>	<u>6,430</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

20. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	1,650,003	1,946,741
Financial assets that are debt instruments measured at amortised cost	604,247	632,414
	<u>2,254,250</u>	<u>2,579,155</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(1,797,035)	(2,092,909)
	<u>(1,797,035)</u>	<u>(2,092,909)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by undertakings and other debtors.

Financial Liabilities measured at amortised cost comprise bank loans, trade creditors and accruals.

21. Deferred taxation

	Deferred tax £
At 1 April 2015	(1,080,030)
Charged to the profit or loss	111,129
At 31 March 2016	<u><u>(968,901)</u></u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(72,923)	(68,110)
Short term timing differences	257	-
Revalued property	(896,235)	(1,011,920)
	<u>(968,901)</u>	<u>(1,080,030)</u>

22. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
10 Ordinary shares of £1 each	10	10
	<u>10</u>	<u>10</u>

23. Pension commitments

The company contributes to a defined contribution pension scheme. During the year £12,551 was paid into the scheme (2015 - £9,679). The amounts payable at the year end amounted to £1,428 (2015 - £1,195).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

24. Related party transactions

Control

Throughout the year the company was controlled by the director.

Transactions

During the year the company had the following transactions with related parties:

Related party	Transactions	Amount	Balance at year end
S Clarkson Director	Loan repaid Recharges	(13,170) 2,775	57,177
Due < 1 year			
Carlton Rock Limited (a company in which S Clarkson is a director)	Recharges	260	-
Granite Rock Casino Limited (a company in which S Clarkson is a director)	Rent Recharges Sales Purchases	100,000 48,790 40,700 (650)	(3,338)
		Note 16:	(3,338)
The Forum Bar and Club Limited (a company in which S Clarkson is a director)	Recharges Loan repaid	1,540 (18,000)	36 37,626
Granite Rock Casino Limited (a company in which S Clarkson is a director)	Loan repaid Bad debt provision	(97,000) 70,000	444,784 (90,000)
		Note 14:	392,446

The highest amount outstanding on the director's loan during the year was £128,886, no interest is charged on the loan and there are no set repayment terms.

The related company loans have no set repayment terms and are interest free.

P B DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

25. First time adoption of FRS 102

	As previously stated 1 April 2014 £	Effect of transition 1 April 2014 £	FRS 102 (as restated) 1 April 2014 £	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Fixed assets	11,747,521	-	11,747,521	11,933,342	-	11,933,342
Current assets	3,403,771	-	3,403,771	2,846,010	-	2,846,010
Creditors: amounts falling due within one year	(1,514,048)	-	(1,514,048)	(1,126,549)	-	(1,126,549)
Net current assets	1,889,723	-	1,889,723	1,719,461	-	1,719,461
Total assets less current liabilities	13,637,244	-	13,637,244	13,652,803	-	13,652,803
Creditors: amounts falling due after more than one year	(1,456,047)	-	(1,456,047)	(1,190,527)	-	(1,190,527)
Provisions for liabilities	(64,096)	(1,001,854)	(1,065,950)	(68,110)	(1,011,920)	(1,080,030)
Net assets	12,117,101	(1,001,854)	11,115,247	12,394,166	(1,011,920)	11,382,246
Capital and reserves	12,117,101	(1,001,854)	11,115,247	12,394,166	(1,011,920)	11,382,246

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

25. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Turnover		6,276,142	-	6,276,142
Cost of sales		(2,008,920)	-	(2,008,920)
		<u>4,267,222</u>	<u>-</u>	<u>4,267,222</u>
Administrative expenses		(3,908,443)	-	(3,908,443)
		<u>358,779</u>	<u>-</u>	<u>358,779</u>
Operating profit		358,779	-	358,779
Interest receivable and similar income		34,567	-	34,567
Interest payable and similar charges		(49,242)	-	(49,242)
Taxation		(67,039)	(10,066)	(77,105)
		<u>(67,039)</u>	<u>(10,066)</u>	<u>(77,105)</u>
Profit on ordinary activities after taxation and for the financial year		277,065	(10,066)	266,999

Explanation of changes to previously reported profit and equity:

- 1 Relates to the incorporation of deferred tax liabilities on the revaluation of property applied retrospectively at the date of transition.