

Company Registration No. SC303513 (Scotland)

G Crolla and Family Limited

Director's report and financial statements

For the year ended 30 November 2011



G Crolla and Family Limited

Company information

Director	G Crolla
Secretary	C Immacolata
Company number	SC303513
Registered office	75 Hanover Street Edinburgh EH2 1EE
Auditors	Henderson Loggie 34 Melville Street Edinburgh EH3 7HA
Business address	30 Edina Place Edinburgh EH7 5BB
Bankers	Bank of Scotland 206 St John's Road Edinburgh EH12 8SH Royal Bank of Scotland Edinburgh West End Office 142-144 Princes Street Edinburgh EH2 4EQ
Solicitors	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL

G Crolla and Family Limited

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G Crolla and Family Limited

Director's report

For the year ended 30 November 2011

The director presents his report and financial statements for the year ended 30 November 2011.

Principal activities and review of the business

The principal activity of the company continued to be that of an operator of bars and restaurants.

Key performance indicators

Turnover has remained broadly in line with the previous period.

The gross profit percentage has remained consistent at 69%. Gross margins remain under pressure in the current year due to rising food prices and competition in the Edinburgh market. However, the directors aim to maintain overall gross profit at this level.

The EBITDA achieved in the current period was £326,074, compared to £333,948 in the previous period. This decrease principally relates to rising food and energy costs in the current difficult economic climate.

The directors look forward to continued profitability in the coming period. The results for the year and financial position of the company are as shown in the annexed financial statements.

Financial risk management objectives and policies

The company continues to finance its operations principally from retained profits, supplemented by long-term bank borrowings to fund capital expenditure.

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of external borrowings with the future cash flows expected to arise from the company's trading activities.

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets liabilities, financial position and profit or loss of the company.

Results and dividends

The results for the year are set out on page 5.

The profit for the year, after taxation, amounted to £168,251. Particulars of dividends paid are detailed in note 7 to the financial statements.

Director

The following director has held office since 1 December 2010:

G Crolla

Auditors

During the year Henderson Loggie were appointed as auditors.

G Crolla and Family Limited

Director's report (continued)

For the year ended 30 November 2011

Statement of director's responsibilities

The director is responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

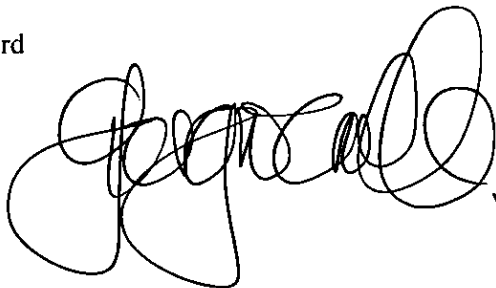
The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies 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.

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

G Crolla
Director
27 August 2012



G Crolla and Family Limited

Independent auditors' report

To the members of G Crolla and Family Limited

We have audited the financial statements of G Crolla and Family Limited for the year ended 30 November 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 director 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 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 director; 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. Should 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 2011 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

G Crolla and Family Limited

Independent auditors' report (continued)

To the members of G Crolla and Family 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



Andrew Niblock (Senior Statutory Auditor)
for and on behalf of Henderson Loggie

27 August 2012

Chartered Accountants
Statutory Auditor

34 Melville Street
Edinburgh
EH3 7HA

G Crolla and Family Limited

Profit and loss account

For the year ended 30 November 2011

	Notes	2011 £	2010 £
Turnover	2	2,069,025	2,090,890
Cost of sales		<u>(656,006)</u>	<u>(648,324)</u>
Gross profit		1,413,019	1,442,566
Administrative expenses		<u>(1,212,934)</u>	<u>(1,223,067)</u>
Other operating income		<u>34,777</u>	<u>8,500</u>
Operating profit	3	234,862	227,999
Other interest receivable and similar income	4	1	1
Interest payable and similar charges	5	<u>(26,659)</u>	<u>(32,701)</u>
Profit on ordinary activities before taxation		208,204	195,299
Tax on profit on ordinary activities	6	<u>(39,953)</u>	<u>(39,861)</u>
Profit for the year	15	<u>168,251</u>	<u>155,438</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

G Crolla and Family Limited

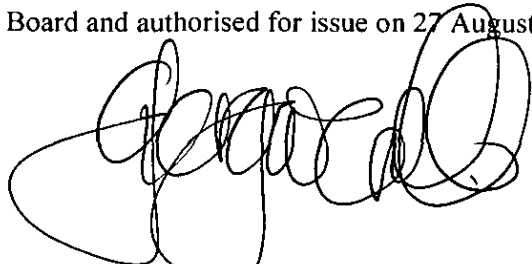
Balance sheet

As at 30 November 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	8	4,761,734		4,844,317	
Current assets					
Stocks	9	32,284		45,658	
Debtors	10	177,496		186,787	
Cash at bank and in hand		162,512		145,297	
		<u>372,292</u>		<u>377,742</u>	
Creditors: amounts falling due within one year	11	<u>(1,323,660)</u>		<u>(508,090)</u>	
Net current liabilities		<u>(951,368)</u>		<u>(130,348)</u>	
Total assets less current liabilities		3,810,366		4,713,969	
Creditors: amounts falling due after more than one year	12	(210,890)		(1,163,431)	
Provisions for liabilities	13	<u>(5,621)</u>		<u>(23,434)</u>	
		<u>3,593,855</u>		<u>3,527,104</u>	
Capital and reserves					
Called up share capital	14	103		103	
Share premium account	15	2,824,124		2,824,124	
Profit and loss account	15	<u>769,628</u>		<u>702,877</u>	
Shareholders' funds	16	<u>3,593,855</u>		<u>3,527,104</u>	

Approved by the Board and authorised for issue on 27 August 2012

G Crolla
Director



Company Registration No. SC303513

G Crolla and Family Limited

Cash flow statement

For the year ended 30 November 2011

	2011	2010
£	£	£
Net cash inflow from operating activities	283,107	296,214
Returns on investments and servicing of finance		
Interest received	1	1
Interest paid	(26,659)	(32,701)
Net cash outflow for returns on investments and servicing of finance	(26,658)	(32,700)
Taxation	(56,564)	(43,185)
Capital expenditure		
Payments to acquire tangible assets	(8,629)	(25,669)
Net cash outflow for capital expenditure	(8,629)	(25,669)
Equity dividends paid	(101,500)	(60,000)
Net cash inflow before management of liquid resources and financing	89,756	134,660
Financing		
Repayment of long term bank loan	(72,541)	(70,057)
Net cash outflow from financing	(72,541)	(70,057)
Increase in cash in the year	17,215	64,603

G Crolla and Family Limited

Notes to the cash flow statement For the year ended 30 November 2011

1 Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
	£	£
Operating profit	234,862	227,999
Depreciation of tangible assets	91,212	105,949
Decrease/(increase) in stocks	13,374	(10,328)
Decrease/(increase) in debtors	9,291	(67,099)
(Decrease)/increase in creditors within one year	(65,632)	39,693
Net cash inflow from operating activities	283,107	296,214

2 Analysis of net debt	1 December 2010	Cash flow	Other non-cash changes	30 November 2011
	£	£	£	£
Net cash:				
Cash at bank and in hand	145,297	17,215	-	162,512
Bank deposits	-	-	-	-
Debt:				
Debts falling due within one year	(84,677)	-	(880,000)	(964,677)
Debts falling due after one year	(1,163,431)	72,541	880,000	(210,890)
	(1,248,108)	72,541	-	(1,175,567)
Net debt	(1,102,811)	89,756	-	(1,013,055)

3 Reconciliation of net cash flow to movement in net debt	2011	2010
	£	£
Increase in cash in the year	17,215	64,603
Cash outflow from decrease in debt	72,541	70,057
Movement in net debt in the year	89,756	134,660
Opening net debt	(1,102,811)	(1,237,471)
Closing net debt	(1,013,055)	(1,102,811)

G Crolla and Family Limited

Notes to the financial statements For the year ended 30 November 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis. The directors have carefully considered the current trading of the business and the financial and other resources available to the company and believe preparing the accounts on this basis is appropriate.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents food and beverage sales during the year net of VAT and discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Heritable properties	2% straight line
Fixtures, fittings & equipment	20% straight line

Assets in the course of construction, which are included within heritable properties, are not depreciated.

1.5 Stock

Stock, which comprises wet and dry commodities, is valued at the lower of costs and net realisable value, after making due allowance for obsolete and slow moving items. Cost comprises the purchase cost of wet and dry commodities.

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2011

1 Accounting policies (continued)

1.6 Deferred taxation

The tax expense represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.7 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2011	2010
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	91,212	105,949
Auditors' remuneration	4,000	3,275

4 Investment income

	2011	2010
	£	£
Bank interest	1	1
	<u>1</u>	<u>1</u>

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2011

5	Interest payable	2011	2010
		£	£
	On other loans wholly repayable within five years	<u>26,659</u>	<u>32,701</u>
6	Taxation	2011	2010
		£	£
	Domestic current year tax		
	U.K. corporation tax	57,766	56,563
	Adjustment for prior years	-	(305)
	Total current tax	<u>57,766</u>	<u>56,258</u>
	Deferred tax		
	Origination and reversal of timing differences	<u>(17,813)</u>	<u>(16,397)</u>
		<u>39,953</u>	<u>39,861</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>208,204</u>	<u>195,299</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2010 - 21.00%)	<u>41,641</u>	<u>41,013</u>
	Effects of:		
	Non deductible expenses	623	326
	Capital allowances	14,560	15,224
	Adjustments to previous periods	-	(305)
	Other tax adjustments	942	-
		<u>16,125</u>	<u>15,245</u>
	Current tax charge for the year	<u>57,766</u>	<u>56,258</u>
7	Dividends	2011	2010
		£	£
	Ordinary final paid	<u>101,500</u>	<u>60,000</u>

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2011

8 Tangible fixed assets

	Heritable properties £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 December 2010	5,072,405	100,567	5,172,972
Additions	-	8,629	8,629
At 30 November 2011	5,072,405	109,196	5,181,601
Depreciation			
At 1 December 2010	289,671	38,984	328,655
Charge for the year	78,235	12,977	91,212
At 30 November 2011	367,906	51,961	419,867
Net book value			
At 30 November 2011	4,704,499	57,235	4,761,734
At 30 November 2010	4,782,734	61,583	4,844,317

The net book value of assets in the course of construction included within heritable properties at 30 November 2011 is £1,150,673 (2010: £1,150,673).

9 Stocks

	2011 £	2010 £
Stocks	32,284	45,658

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2011

10 Debtors	2011 £	2010 £
Trade debtors	1,865	1,186
Amounts owed by related undertakings	63,944	39,420
Other debtors	22,237	44,194
Directors loan account	45,242	60,111
Prepayments and accrued income	44,208	41,876
	<u>177,496</u>	<u>186,787</u>

Directors loan account represents £45,242 (2010: £60,111) owed to the company by G Crolla.
The balance is unsecured, interest free and repayable on demand.

The balance at the start of the year represents the maximum overdrawn balance during the year.

11 Creditors: amounts falling due within one year	2011 £	2010 £
Bank loans	964,677	84,677
Trade creditors	113,526	154,867
Amounts due to group undertakings	71,354	94,188
Corporation tax	57,765	56,563
Other taxes and social security costs	107,917	83,110
Other creditors	905	2,860
Accruals and deferred income	7,516	31,825
	<u>1,323,660</u>	<u>508,090</u>

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2011

12 Creditors: amounts falling due after more than one year	2011 £	2010 £
Bank loans	<u>210,890</u>	<u>1,163,431</u>
Analysis of loans		
Wholly repayable within five years	<u>1,175,567</u>	<u>1,248,108</u>
	<u>1,175,567</u>	<u>1,248,108</u>
Included in current liabilities	<u>(964,677)</u>	<u>(84,677)</u>
	<u>210,890</u>	<u>1,163,431</u>

Bank loans represents two loans with principals amounts of £880,000 and £450,000 respectively.

The first bank loan is secured by a bond and floating charge over the assets of the company and a standard security over the properties previously classified as investment properties. This loan bears interest at 1.35% above the bank's base rate and is repayable by a single payment on 27 September 2012.

The second bank loan is secured by a bond and floating charge over the assets of the company and a standard security over certain of the company's heritable properties. This loan bears interest at 3% above the bank's base rate and is repayable in instalments by 31 August 2015.

The loan is secured by a fixed and floating charge over the assets of the company.

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2011

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 December 2010	23,434
Profit and loss account	(17,813)
	<u>5,621</u>
Balance at 30 November 2011	<u>5,621</u>

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>5,621</u>	<u>23,434</u>

14 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
12 Ordinary shares of £1 each	12	12
90 Deferred shares of £1 each	90	90
1 B Ordinary shares of £1 each	1	1
	<u>103</u>	<u>103</u>

15 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 December 2010	2,824,124	702,877
Profit for the year	-	168,251
Dividends paid	-	(101,500)
	<u>2,824,124</u>	<u>769,628</u>
Balance at 30 November 2011	<u>2,824,124</u>	<u>769,628</u>

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2011

16 Reconciliation of movements in shareholders' funds	2011 £	2010 £
Profit for the financial year	168,251	155,438
Dividends	(101,500)	(60,000)
Net addition to shareholders' funds	66,751	95,438
Opening shareholders' funds	3,527,104	3,431,666
Closing shareholders' funds	3,593,855	3,527,104

17 Director's remuneration	2011 £	2010 £
Remuneration for qualifying services	7,842	8,459

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2011 Number	2010 Number
Number of distribution staff	52	52
Number of administrative staff	6	4
	58	56

Employment costs

	2011 £	2010 £
Wages and salaries	745,859	715,511
Social security costs	50,908	51,011
	796,767	766,522

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2011

19 Control

In the opinion of the director, the company has no ultimate controlling party.

20 Related party relationships and transactions

Amounts owed by related undertakings within debtors comprise £17,158 (2010: £11,655) owed by A & A Crolla Partnership, £7,440 (2010: £5,158) owed by A Crolla Trust for Grandchildren, £21,150 (2010: £13,950) owed by Madogs Limited, and £18,196 (2010: £8,658) owed by A Crolla & Son Catering Limited.

All movements in the year in respect of the above balances represent management charges made by G Crolla and Family Limited to the above entities.

Amounts owed to related undertakings within creditors comprises £71,354 (2010: £94,188) owed to The Crolla Property Partnership.

The movement in the year in respect of amounts due to The Crolla Property Partnership relates to management charges made by G Crolla and Family Limited during the year.

G Crolla is a director of A Crolla & Son Catering Limited and Madogs Limited, a partner in The Crolla Property Partnership and a trustee of the A Crolla Trust for Grandchildren.

A Crolla is a shareholder in G Crolla and Family Limited and a partner in A & A Crolla Partnership.

All amounts owed are unsecured, interest free and repayable on demand.