

Company Registration No. SC303513 (Scotland)

G Crolla and Family Limited

Director's report and financial statements

For the year ended 30 November 2012

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G Crolla and Family Limited

Company information

Director	G Crolla
Secretary	C Immacolata
Company number	SC303513
Registered office	75 Hanover Street Edinburgh EH2 1EE
Auditor	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 NatWest 8 George Street Edinburgh EH2 2SB
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 2012

The director presents his report and financial statements for the year ended 30 November 2012.

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 increased due to the opening of a new restaurant in October 2012 and strong sales throughout the year.

The gross profit percentage has reduced slightly to 67% from 69%. Gross margins remain under pressure in the current year due to rising food prices and competition in the Edinburgh market and the initial trading period of the new restaurant. However, the directors aim to maintain overall gross profit at this level.

The EBITDA achieved in the current period was £385,948, compared to £326,074 in the previous period. This increase principally relates to higher sales as a result of the new restaurant.

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 £178,465. Particulars of dividends paid are detailed in note 7 to the financial statements.

Director

The following director has held office since 1 December 2011:

G Crolla

G Crolla and Family Limited

Director's report (continued)

For the year ended 30 November 2012

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.

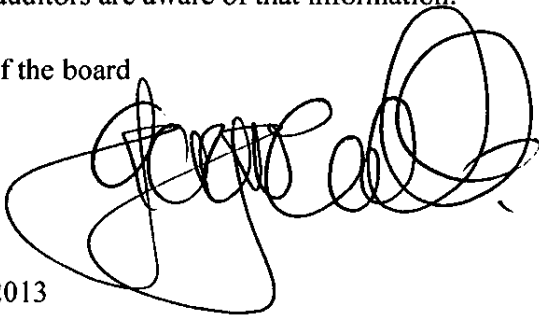
Statement of disclosure to auditors

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

30 August 2013

A large, stylized handwritten signature in black ink, appearing to read 'G Crolla', is written over the printed name and title of the director.

G Crolla and Family Limited

Independent auditor's 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 2012 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 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 accounts

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.

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 2012 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

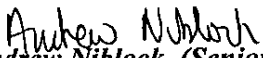
Independent auditor's report (continued)

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

Statutory Auditor

30 August 2013

**34 Melville Street
Edinburgh
EH3 7HA**

G Crolla and Family Limited

Profit and loss account

For the year ended 30 November 2012

	Notes	2012 £	2011 £
Turnover	2	2,409,108	2,069,025
Cost of sales		<u>(800,078)</u>	<u>(656,006)</u>
Gross profit		1,609,030	1,413,019
Administrative expenses		<u>(1,368,953)</u>	<u>(1,212,934)</u>
Other operating income		<u>32,752</u>	<u>34,777</u>
Operating profit	3 - 18	272,829	234,862
Other interest receivable and similar income	4	-	1
Interest payable and similar charges	5	<u>(27,303)</u>	<u>(26,659)</u>
Profit on ordinary activities before taxation		245,526	208,204
Tax on profit on ordinary activities	6	<u>(67,061)</u>	<u>(39,953)</u>
Profit for the year	15	<u>178,465</u>	<u>168,251</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

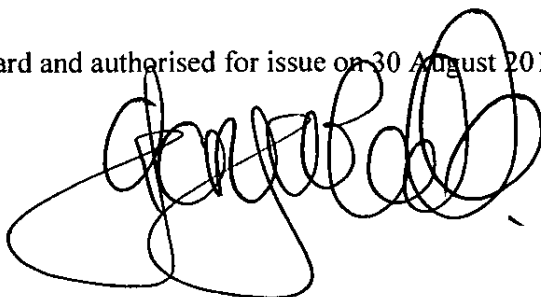
Balance sheet

As at 30 November 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	8	4,888,322		4,761,734	
Current assets					
Stocks	9	43,939		32,284	
Debtors	10	228,560		177,496	
Cash at bank and in hand		178,929		162,512	
		<u>451,428</u>		<u>372,292</u>	
Creditors: amounts falling due within one year	11	<u>(1,524,988)</u>		<u>(1,323,660)</u>	
Net current liabilities		<u>(1,073,560)</u>		<u>(951,368)</u>	
Total assets less current liabilities		3,814,762		3,810,366	
Creditors: amounts falling due after more than one year	12	(135,763)		(210,890)	
Provisions for liabilities	13	(18,679)		(5,621)	
Net liabilities		<u>3,660,320</u>		<u>3,593,855</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	836,093		769,628	
Shareholders' funds	16	<u>3,660,320</u>		<u>3,593,855</u>	

Approved by the Board and authorised for issue on 30 August 2013

G Crolla
Director



Company Registration No. SC303513

G Crolla and Family Limited

Cash flow statement

For the year ended 30 November 2012

	2012	2011
£	£	£
Net cash inflow from operating activities	525,691	283,107
Returns on investments and servicing of finance		
Interest received	-	1
Interest paid	(27,303)	(26,659)
Net cash outflow for returns on investments and servicing of finance	(27,303)	(26,658)
Taxation	(55,137)	(56,564)
Capital expenditure		
Payments to acquire tangible assets	(239,707)	(8,629)
Net cash outflow for capital expenditure	(239,707)	(8,629)
Equity dividends paid	(112,000)	(101,500)
Net cash inflow before management of liquid resources and financing	91,544	89,756
Financing		
New long term bank loan	-	(880,000)
Other new short term loans	-	880,000
Repayment of long term bank loan	(75,127)	(72,541)
Net cash outflow from financing	(75,127)	(72,541)
Increase in cash in the year	16,417	17,215

G Crolla and Family Limited

Notes to the cash flow statement For the year ended 30 November 2012

1 Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
	£	£
Operating profit	272,829	234,862
Depreciation of tangible assets	113,119	91,212
(Increase)/decrease in stocks	(11,655)	13,374
(Increase)/decrease in debtors	(51,064)	9,291
Increase/(decrease) in creditors within one year	202,462	(65,632)
Net cash inflow from operating activities	525,691	283,107

2 Analysis of net debt	1 December 2011	Cash flow	Other non-cash changes	30 November 2012
	£	£	£	£
Net cash:				
Cash at bank and in hand	162,512	16,417	-	178,929
Bank deposits	-	-	-	-
Debt:				
Debts falling due within one year	(964,677)	-	(75,127)	(889,550)
Debts falling due after one year	(210,890)	75,127	75,127	(210,890)
	(1,175,567)	75,127	-	(1,100,440)
Net debt	(1,013,055)	91,544	-	(921,511)

3 Reconciliation of net cash flow to movement in net debt	2012	2011
	£	£
Increase in cash in the year	16,417	17,215
Cash outflow from decrease in debt	75,127	72,541
Movement in net debt in the year	91,544	89,756
Opening net debt	(1,013,055)	(1,102,811)
Closing net debt	(921,511)	(1,013,055)

G Crolla and Family Limited

Notes to the financial statements For the year ended 30 November 2012

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:

Land and buildings Freehold	2% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	25% 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.

1.6 Taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2012

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	2012 £	2011 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	113,119	91,212
	Auditor's remuneration	4,250	4,000

4	Investment income	2012 £	2011 £
	Bank interest	-	1

5	Interest payable	2012 £	2011 £
	On other loans wholly repayable within five years	27,303	26,659

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2012

6	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U.K. corporation tax	54,003	57,766
	Current tax charge	54,003	57,766
	Deferred tax		
	Origination and reversal of timing differences	13,058	(17,813)
		67,061	39,953
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	245,526	208,204
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25% (2011 - 20%)	60,522	41,641
	Effects of:		
	Non deductible expenses	1,361	623
	Capital allowances	(12,200)	14,560
	Other tax adjustments	4,320	942
		(6,519)	16,125
	Current tax charge	54,003	57,766
7	Dividends	2012	2011
		£	£
	Ordinary final paid	112,000	101,500

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2012

8 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 December 2011	5,072,405	109,196	-	5,181,601
Additions	-	223,217	16,490	239,707
At 30 November 2012	5,072,405	332,413	16,490	5,421,308
Depreciation				
At 1 December 2011	367,906	51,961	-	419,867
Charge for the year	82,104	30,671	344	113,119
At 30 November 2012	450,010	82,632	344	532,986
Net book value				
At 30 November 2012	4,622,395	249,781	16,146	4,888,322
At 30 November 2011	4,704,499	57,235	-	4,761,734

9 Stocks

	2012 £	2011 £
Raw materials and consumables	647	-
Finished goods and goods for resale	43,292	32,284
	43,939	32,284

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2012

10 Debtors	2012 £	2011 £
Trade debtors	8,870	1,865
Amounts owed by participating interests	88,103	63,944
Other debtors	92,221	67,479
Prepayments and accrued income	39,366	44,208
	<u>228,560</u>	<u>177,496</u>

Other debtors includes directors loan account of £63,341 (2011: £45,242) owed to the company by G Crolla.

The balance is unsecured, interest free and repayable on demand.

£105,011 at the maximum overdrawn balance during the year.

11 Creditors: amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	964,677	964,677
Trade creditors	167,225	113,526
Amounts owed to participating interests	55,884	71,354
Corporation tax	56,631	57,765
Other taxes and social security costs	117,750	107,917
Other creditors	3,075	905
Accruals and deferred income	159,746	7,516
	<u>1,524,988</u>	<u>1,323,660</u>

G Crolla and Family Limited

Notes to the financial statements (continued) For the year ended 30 November 2012

12 Creditors: amounts falling due after more than one year	2012 £	2011 £
Bank loans	<u>135,763</u>	<u>210,890</u>
Analysis of loans		
Wholly repayable within five years	<u>1,100,440</u>	<u>1,175,567</u>
	<u>1,100,440</u>	<u>1,175,567</u>
Included in current liabilities	<u>(964,677)</u>	<u>(964,677)</u>
	<u>135,763</u>	<u>210,890</u>
Loan maturity analysis		
In more than one year but not more than two years	<u>75,127</u>	<u>84,676</u>
In more than two years but not more than five years	<u>60,636</u>	<u>126,214</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. This loan was repaid in February 2013 and was replaced by a new loan with NatWest which is repayable in 48 monthly installments by 2018. No repayments will be made in the first year. Interest will be applied quarterly.

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 2012

13 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 December 2011	5,621
Profit and loss account	13,058
Balance at 30 November 2012	18,679

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	18,679	5,621

14 Share capital

	2012 £	2011 £
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
	103	103

15 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 December 2011	2,824,124	769,628
Profit for the year	-	178,465
Dividends paid	-	(112,000)
Balance at 30 November 2012	2,824,124	836,093

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2012

16 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit for the financial year	178,465	168,251
Dividends	(112,000)	(101,500)
Net addition to shareholders' funds	66,465	66,751
Opening shareholders' funds	3,593,855	3,527,104
Closing shareholders' funds	3,660,320	3,593,855
 17 Director's remuneration	 2012	 2011
	£	£
Remuneration for qualifying services	7,799	7,842
 18 Employees		
Number of employees		
The average monthly number of employees (including directors) during the year was:		
	2012	2011
	Number	Number
Number of distribution staff	55	52
Number of administrative staff	8	8
	63	60
 Employment costs	 2012	 2011
	£	£
Wages and salaries	828,883	745,859
Social security costs	54,101	50,908
	882,984	796,767

G Crolla and Family Limited

Notes to the financial statements (continued)

For the year ended 30 November 2012

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 £22,800 (2011: £17,158) owed by A & A Crolla Partnership, £9,872 (2011: £7,440) owed by A Crolla Trust for Grandchildren, £27,545 (2011: £21,150) owed by Madogs Limited, and £27,885 (2011: £18,196) 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 £55,884 (2011: £71,354) 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.