

REGISTERED NUMBER: 03372375 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 May 2017

for

A & J Inns Limited

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for the Year Ended 31 May 2017**

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A & J Inns Limited
Company Information
for the Year Ended 31 May 2017

DIRECTOR: A Lumb

SECRETARY: Mrs J Lumb

REGISTERED OFFICE: New Hold Industrial Estate
Aberford Road
Garforth
Leeds
West Yorkshire
LS25 2HL

REGISTERED NUMBER: 03372375 (England and Wales)

ACCOUNTANTS: Frank W Dobby & Co Limited
Chartered Certified Accountants
55 Fountain Street
Morley
Leeds
West Yorkshire
LS27 0AA

BANKERS: The Royal Bank of Scotland
27 Market Place
Huddersfield
West Yorkshire
HD1 2AD

SOLICITORS: Chadwick Lawrence Solicitors
29/31 Commercial Street
Morley
Leeds
West Yorkshire
LS27 8HX

A & J Inns Limited (Registered number: 03372375)

**Balance Sheet
31 May 2017**

	Notes	31.5.17		31.5.16	
		£	£	£	£
FIXED ASSETS					
Intangible assets	4	-		-	
Tangible assets	5	<u>2,333,622</u>		<u>2,053,089</u>	
		<u>2,333,622</u>		<u>2,053,089</u>	
CURRENT ASSETS					
Stocks		200,948		203,475	
Debtors	6	220,644		236,910	
Cash at bank and in hand		<u>57,316</u>		<u>144,990</u>	
		<u>478,908</u>		<u>585,375</u>	
CREDITORS					
Amounts falling due within one year	7	<u>1,053,096</u>		<u>884,911</u>	
NET CURRENT LIABILITIES			<u>(574,188)</u>		<u>(299,536)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,759,434</u>		<u>1,753,553</u>
CREDITORS					
Amounts falling due after more than one year	8		<u>(517,043)</u>		<u>(549,449)</u>
PROVISIONS FOR LIABILITIES			<u>(48,444)</u>		<u>(35,369)</u>
NET ASSETS			<u>1,193,947</u>		<u>1,168,735</u>
CAPITAL AND RESERVES					
Called up share capital	10		1,000		1,000
Retained earnings			<u>1,192,947</u>		<u>1,167,735</u>
SHAREHOLDERS' FUNDS			<u>1,193,947</u>		<u>1,168,735</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

A & J Inns Limited (Registered number: 03372375)

Balance Sheet - continued
31 May 2017

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 29 March 2018 and were signed by:

A Lumb - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 May 2017

1. **STATUTORY INFORMATION**

A & J Inns Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year of adoption of FRS 102.
The financial statements are presented in Sterling (£).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when goods are delivered and legal title passes.

Goodwill

Goodwill is amortised over a period of 5 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Leasehold improvements	- 2% on cost
Improvements to property	- 20% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

At each balance sheet date the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss.

Stocks

Stocks of consumable trading stock in the licenced public premises and storage warehouse are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2017

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 81 (2016 - 82).

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 June 2016 and 31 May 2017	<u>130,000</u>
AMORTISATION	
At 1 June 2016 and 31 May 2017	<u>130,000</u>
NET BOOK VALUE	
At 31 May 2017	<u> -</u>
At 31 May 2016	<u> -</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2017

5. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold improvements £	Improvements to property £
COST			
At 1 June 2016	2,150,573	106,399	800,829
Additions	153,670	49,177	-
At 31 May 2017	<u>2,304,243</u>	<u>155,576</u>	<u>800,829</u>
DEPRECIATION			
At 1 June 2016	358,182	4,984	798,079
Charge for year	44,348	2,284	1,430
Eliminated on disposal	-	-	-
At 31 May 2017	<u>402,530</u>	<u>7,268</u>	<u>799,509</u>
NET BOOK VALUE			
At 31 May 2017	<u>1,901,713</u>	<u>148,308</u>	<u>1,320</u>
At 31 May 2016	<u>1,792,391</u>	<u>101,415</u>	<u>2,750</u>

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 June 2016	102,272	412,932	44,785	3,617,790
Additions	31,117	147,573	31,567	413,104
Disposals	-	-	(24,700)	(24,700)
At 31 May 2017	<u>133,389</u>	<u>560,505</u>	<u>51,652</u>	<u>4,006,194</u>
DEPRECIATION				
At 1 June 2016	41,376	343,711	18,369	1,564,701
Charge for year	23,068	40,355	2,655	114,140
Eliminated on disposal	-	-	(6,269)	(6,269)
At 31 May 2017	<u>64,444</u>	<u>384,066</u>	<u>14,755</u>	<u>1,672,572</u>
NET BOOK VALUE				
At 31 May 2017	<u>68,945</u>	<u>176,439</u>	<u>36,897</u>	<u>2,333,622</u>
At 31 May 2016	<u>60,896</u>	<u>69,221</u>	<u>26,416</u>	<u>2,053,089</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2017

5. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 June 2016	24,200
Additions	24,317
Disposals	<u>(24,200)</u>
At 31 May 2017	<u>24,317</u>
DEPRECIATION	
At 1 June 2016	6,050
Charge for year	507
Eliminated on disposal	<u>(6,050)</u>
At 31 May 2017	<u>507</u>
NET BOOK VALUE	
At 31 May 2017	<u>23,810</u>
At 31 May 2016	<u>18,150</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.17 £	31.5.16 £
Trade debtors	76,190	90,080
Amounts owed by associates	15,000	-
Prepayments and accrued income	<u>129,454</u>	<u>146,830</u>
	<u>220,644</u>	<u>236,910</u>

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

	31.5.17 £	31.5.16 £
Bank loans and overdrafts	66,427	57,704
Other loans	114,298	-
Hire purchase contracts	5,325	6,100
Trade creditors	522,800	309,648
Amounts owed to associates	2,394	8,570
Tax	117,869	129,606
Social security and other taxes	8,485	3,786
VAT	85,196	121,994
Tenant bond	23,419	13,469
Premium Credit loan	3,240	4,891
Pension creditor	127	-
Directors' current accounts	68,368	203,192
Accruals	<u>35,148</u>	<u>25,951</u>
	<u>1,053,096</u>	<u>884,911</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2017

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.5.17	31.5.16
	£	£
Bank loans - 1-2 years	68,167	59,540
Bank loans - 2-5 years	215,621	190,228
Bank loan due in over 5 years	218,611	283,105
Hire purchase contracts	14,644	16,576
	<u>517,043</u>	<u>549,449</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loan due in over 5 years	<u>218,611</u>	<u>283,105</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.5.17	31.5.16
	£	£
Bank loans	568,826	590,577
Carlsberg UK Limited loan	105,982	-
	<u>674,808</u>	<u>590,577</u>

The company's bankers have secured their debt as follows:

1. First legal charge over the freehold property known as 13 Beastfair, Pontefract.
2. First legal charge over the freehold property known as Bar 12, 12 Shoe Fair, Pontefract.
3. First legal charge over the freehold property known as JR Amusements, Mill Lane, Skipsea.
4. First legal charge over the freehold property known as The Jug Inn, Chapel Haddlessey, Selby.
5. First legal charge over the freehold property known as Three Acres, Bingley Road, Lees Moor, Keighley.
6. First legal charge over the leasehold property known as Castleford Liberal WMC, 1 Powell St, Castleford.
7. Unlimited cross guarantee between A & J Inns Limited and L & C Leisure Limited.
8. Debenture over all assets of the Company.

Carlsberg UK Limited have secured the company's debt as follows:

1. Fixed and floating charges over the freehold licensed premises known as The Redoubt Inn, 28 Horbury Road, Wakefield.

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.17	31.5.16
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2017**

11. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

A director loaned funds to the company on an interest free basis throughout the financial year. The balance owed to the director at the start of the year was £203,192. The balance due at 31 May 2017 is £68,368.

12. RELATED PARTY DISCLOSURES

During the year, total dividends of £10,000 were paid to the director .

The sole director, Mr Lumb, in partnership with Mrs Lumb levied a management charge during the financial year of £100,000 (2016: £140,000) in respect of jointly managing the affairs of the venues operated by the company and for the use of the shared office space wholly owned by Mr & Mrs Lumb.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are Mr & Mrs Lumb.

14. FIRST YEAR ADOPTION

The financial statements for the year ended 31 May 2017 are the first for A&J Inns Limited prepared in accordance with FRS 102, the reporting standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2016. The reported financial position and financial performance of the previous period are not affected by the transition to FRS 102.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.