

REGISTERED NUMBER: 11544447 (England and Wales)

Group Strategic Report,
Report of the Director and
Consolidated Financial Statements
for the Year Ended 31 March 2023
for
Lionacre Holdings Limited

SATURDAY



ACIZVPZK

A07

23/12/2023

#371

COMPANIES HOUSE

Lionacre Holdings Limited (Registered number: 11544447)

Contents of the Consolidated Financial Statements
for the Year Ended 31 March 2023

	Page
Company Information	1
Group Strategic Report	2
Report of the Director	3
Report of the Independent Auditors	5
Consolidated Income Statement	7
Consolidated Other Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Consolidated Cash Flow Statement	13
Notes to the Consolidated Cash Flow Statement	14
Notes to the Consolidated Financial Statements	15

Lionacre Holdings Limited
Company Information
for the Year Ended 31 March 2023

DIRECTOR: R J Adil

SECRETARY: M Adil

REGISTERED OFFICE: 34-36 London Road
Wembley
Middlesex
HA9 7EX

REGISTERED NUMBER: 11544447 (England and Wales)

AUDITORS: Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Lionacre Holdings Limited (Registered number: 11544447)

Group Strategic Report
for the Year Ended 31 March 2023

The director presents his strategic report of the company and the group for the year ended 31 March 2023.

The director aims to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end by reflection of the size and non-complex nature of the business.

REVIEW OF BUSINESS

During the year, the group continued to operate as a Taco - Bell franchisee.

The Director is pleased to report an increase in turnover of 23.2% despite an increase in the output VAT rates in the year. This has largely been facilitated through new store openings as well as price increases.

The gross profit of the group has decreased to £3,285,842 from £3,453,532 achieved last year. Due to the inflationary pressures on food, beverages and packaging material in the business the gross profit percentages have reduced from 24.7% to 19.1%.

Increased overheads due to rising wage and energy costs, inflationary increases in business rates and the removal of the furlough support has resulted in a reduction in profit before tax to £1,014,688 (2022: £1,497,718).

The group recorded a net cash inflow from operating activities of £11,688,236 (2022: £7,876,264) due to the impact of the tighter margins in the period and investment into store refreshers following the strong profits generated in the prior year. Net assets at the balance sheet date amounted to £3,302,407 (2022: £2,379,737).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks of the company are changes in consumer spending habits, the entry of new competitors within geographical areas in which the company operates, interest rate increases impacting on the financing of operations and new stores and changes in government controls and policies towards the fast food industry. The group continues to monitor this and Taco - Bell has continued to evolve its menu and set appropriate recommended prices.

The director continues to assess risks arising from food and wage inflation by budgeting and reducing wastage and targeting sales growth to counter act reducing margins.

The director has considered the effect of the continued uncertainty around Brexit and the conclude they expect the most significant risk to be the availability of staff the effects on the supply chain. The group seeks to retain and attract staff through improvements in working conditions and rates of salary. The supply chain is primarily controlled by the franchisor, Taco - Bell and the Director continues to liaise with them on a regular basis to assess and understand and potential risks to the group.

FINANCIAL KEY PERFORMANCE INDICATORS

Financial key performance indicators for the stores are the level of turnover, gross profit and EBITDA.

Turnover: £17,196,260 (2022: £13,953,776)

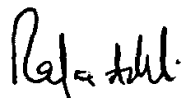
Gross profit: £3,285,842 (2022: £3,453,532)

EBITDA: £1,928,425 (2022: £1,837,698)

OTHER KEY PERFORMANCE INDICATORS

The principal non-financial key performance indicator is the performance against inspections by Taco Bell, and the company continues to achieve satisfactory performance throughout the year.

ON BEHALF OF THE BOARD:



R J Adil - Director

21 December 2023

**Report of the Director
for the Year Ended 31 March 2023**

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2023.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2023.

The profit for the year, after taxation, amounted to £922,670 (2022: £1,135,575).

Dividends paid in the year to the Holding Company are £NIL (2022: £NIL). The director has not recommended any further dividends to be paid in respect of the current year's financial results.

FUTURE DEVELOPMENTS

As a result of the impact of COVID-19 the company has identified the importance and strength of both the offering of delivery and operating drive thru stores. The Director continues to look for future store openings which will maximise these opportunities.

Stores will continue to be refurbished in order to meet Taco Bell guidelines and remain at a high standard.

DIRECTOR

R J Adil held office during the whole of the period from 1 April 2022 to the date of this report.

FINANCIAL INSTRUMENTS

The company uses a variety of financial instruments, including cash, inter-company debt and trade creditors that arise from its operations. The main purpose of these financial instruments are to provide working capital for the company's operations.

The company is financed with appropriate short-term finance to match the need of the business and enable the company to utilise its working capital in the most effective way.

ENGAGEMENT WITH EMPLOYEES

The company's policy is to consult and discuss with employees, at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through the information bulletins and reports which seeks to achieve a common awareness on the part of all employees of the financial economic factors affecting the company's performance.

DISABLED EMPLOYEES

The company's policy to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lionacre Holdings Limited (Registered number: 11544447)

Report of the Director
for the Year Ended 31 March 2023

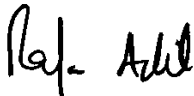
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Wright Vigar Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



R J Adil - Director

21 December 2023

Report of the Independent Auditors to the Members of
Lionacre Holdings Limited

Opinion

We have audited the financial statements of Lionacre Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2023 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Report of the Independent Auditors to the Members of
Lionacre Holdings Limited

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

21 December 2023

Lionacre Holdings Limited (Registered number: 11544447)

Consolidated
Income Statement
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
TURNOVER	3	17,196,260	13,953,776
Cost of sales		13,910,418	10,500,244
GROSS PROFIT		3,285,842	3,453,532
Administrative expenses		3,578,030	2,786,842
		(292,188)	666,690
Other operating income		1,418,755	514,948
OPERATING PROFIT	5	1,126,567	1,181,638
Gain/loss on revaluation of investment property		-	379,051
		1,126,567	1,560,689
Interest payable and similar expenses	6	101,944	62,971
PROFIT BEFORE TAXATION		1,024,623	1,497,718
Tax on profit	7	92,018	362,143
PROFIT FOR THE FINANCIAL YEAR		932,605	1,135,575
Profit attributable to: Owners of the parent		932,605	1,135,575

The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

**Consolidated
Other Comprehensive Income
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		932,605	1,135,575
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>932,605</u>	<u>1,135,575</u>
Total comprehensive income attributable to: Owners of the parent		<u>932,605</u>	<u>1,135,575</u>

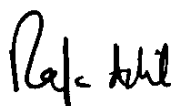
The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

Consolidated Balance Sheet
31 March 2023

	Notes	£	2023	£	£	2022	£
FIXED ASSETS							
Tangible assets	9			6,694,500			6,131,554
Investments	10			-			-
Investment property	11			20,743,616			11,998,833
				<u>27,438,116</u>			<u>18,130,387</u>
CURRENT ASSETS							
Stocks	12		157,677			90,415	
Debtors	13		564,947			1,580,400	
Cash at bank and in hand			1,685,342			855,806	
			<u>2,407,966</u>			<u>2,526,621</u>	
CREDITORS							
Amounts falling due within one year	14		3,318,114			3,271,698	
NET CURRENT LIABILITIES				<u>(910,148)</u>			<u>(745,077)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				26,527,968			17,385,310
CREDITORS							
Amounts falling due after more than one year	15			(22,734,291)			(14,627,459)
PROVISIONS FOR LIABILITIES	19			<u>(481,335)</u>			<u>(378,114)</u>
NET ASSETS				<u>3,312,342</u>			<u>2,379,737</u>
CAPITAL AND RESERVES							
Called up share capital	20			100			100
Fair value reserve	21			307,031			307,031
Retained earnings	21			3,005,211			2,072,606
SHAREHOLDERS' FUNDS				<u>3,312,342</u>			<u>2,379,737</u>

The financial statements were approved by the director and authorised for issue on 21 December 2023 and were signed by:



R J Adil - Director

Lionacre Holdings Limited (Registered number: 11544447)

Company Balance Sheet
31 March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	9	-	-
Investments	10	200	200
Investment property	11	-	-
		<u>200</u>	<u>200</u>
CREDITORS			
Amounts falling due within one year	14	<u>100</u>	<u>100</u>
NET CURRENT LIABILITIES		<u>(100)</u>	<u>(100)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	20	<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS		<u>100</u>	<u>100</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 21 December 2023 and were signed by:



R J Adil - Director

The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 April 2021	100	1,244,062	-	1,244,162
Changes in equity				
Total comprehensive income	-	828,544	307,031	1,135,575
Balance at 31 March 2022	100	2,072,606	307,031	2,379,737
Changes in equity				
Total comprehensive income	-	932,605	-	932,605
Balance at 31 March 2023	100	3,005,211	307,031	3,312,342

The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

Company Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	100	-	100
Changes in equity			
Balance at 31 March 2022	100	-	100
Changes in equity			
Balance at 31 March 2023	100	-	100

The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

Consolidated Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	11,688,236	8,034,811
Tax paid		-	(158,547)
Net cash from operating activities		<u>11,688,236</u>	<u>7,876,264</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,185,740)	(1,429,375)
Purchase of investment property		(8,744,783)	(9,180,113)
Net cash from investing activities		<u>(9,930,523)</u>	<u>(10,609,488)</u>
Cash flows from financing activities			
New loans in year		-	2,288,650
Loan repayments in year		(826,233)	(80,000)
Interest paid		(101,944)	(62,971)
Net cash from financing activities		<u>(928,177)</u>	<u>2,145,679</u>
Increase/(decrease) in cash and cash equivalents		<u>829,536</u>	<u>(587,545)</u>
Cash and cash equivalents at beginning of year	2	855,806	1,443,351
Cash and cash equivalents at end of year	2	<u><u>1,685,342</u></u>	<u><u>855,806</u></u>

The notes form part of these financial statements

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2023

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	1,024,623	1,497,718
Depreciation charges	622,794	601,087
Profit on disposal of fixed assets	-	(13,171)
Gain on revaluation of fixed assets	-	(379,051)
Non cash movement in profit and loss	-	(126,689)
Finance costs	101,944	62,971
	<u>1,749,361</u>	<u>1,642,865</u>
Increase in stocks	(67,262)	(31,708)
Decrease/(increase) in trade and other debtors	1,015,453	(662,431)
Increase in trade and other creditors	<u>8,990,684</u>	<u>7,086,085</u>
Cash generated from operations	<u><u>11,688,236</u></u>	<u><u>8,034,811</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	<u>1,685,342</u>	<u>855,806</u>

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>855,806</u>	<u>1,443,351</u>

3. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	855,806	829,536	1,685,342
	<u>855,806</u>	<u>829,536</u>	<u>1,685,342</u>
Debt			
Debts falling due within 1 year	(91,512)	11,012	(80,500)
Debts falling due after 1 year	(2,197,138)	815,221	(1,381,917)
	<u>(2,288,650)</u>	<u>826,233</u>	<u>(1,462,417)</u>
Total	<u><u>(1,432,844)</u></u>	<u><u>1,655,769</u></u>	<u><u>222,925</u></u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Lionacre Holdings 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 General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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 as modified by the revaluation of certain assets.

These consolidated financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

This is due to the agreement of the director along with other related parties to continue to support the . If this Group. If this support was not to continue then the basis may not be appropriate.

Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("The Group") as if they form a single entity. Intercompany transactions and balances between the group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

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 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

The sale of food, beverages and merchandise is recognised at the point of sale.

Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2019 to continue to be charged over the period to the first market rent review rather than the term of the lease.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and Buildings	- 2% on cost
Short leasehold	- 2% on cost
Fixtures and fittings	- 25% on reducing balance and 20% on reducing balance

Investment property rented to other group entities and accounted for under the cost model is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment property is carried at fair value determined annually by the Director and 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 Statement of Comprehensive Income.

Stocks

Stocks 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 Consolidated 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.

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.

Pension costs and other post-retirement benefits

Defined contribution pension plan

The Company operates 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. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss 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.

2. ACCOUNTING POLICIES - continued

Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

Interest income

Interest income is recognised in profit or loss using the effective interest method.

Finance costs

Finance costs are charged to profit or loss 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.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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 Statement of Comprehensive Income.

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.

Government Grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

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.

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.

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.

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 profit or loss 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.

Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying its accounting policies, the company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

Management has made judgment over the following accounting policies:

- The estimated useful economic lives of fixtures, fittings and equipment.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

All turnover arose within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	5,042,446	4,020,924
Social security costs	144,144	180,106
Other pension costs	57,472	37,681
	<u>5,244,062</u>	<u>4,238,711</u>

The average number of employees during the year was as follows:

	2023	2022
Employees and directors	<u>439</u>	<u>373</u>

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

4. EMPLOYEES AND DIRECTORS - continued

The average number of employees by undertakings that were proportionately consolidated during the year was 1 (2022 - 1).

	2023 £	2022 £
Director's remuneration	-	-

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	622,794	601,087
Profit on disposal of fixed assets	-	(13,171)
Auditors' remuneration	(1,565)	5,000
Auditors' remuneration for non audit work	6,235	1,900

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023 £	2022 £
Bank loan interest	76,802	41,907
Other interest	25,142	21,064
	<u>101,944</u>	<u>62,971</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023 £	2022 £
Current tax:		
UK corporation tax	-	8,889
Prior year over provision	(11,203)	-
Total current tax	<u>(11,203)</u>	<u>8,889</u>
Deferred tax	103,221	353,254
Tax on profit	<u>92,018</u>	<u>362,143</u>

UK corporation tax was charged at 19% in 2022.

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

7. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	1,024,623	1,497,718
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	194,678	284,566
Effects of:		
Expenses not deductible for tax purposes	6,236	12,019
Income not taxable for tax purposes	-	(72,020)
Capital allowances in excess of depreciation	(276,825)	(215,676)
Adjustments to tax charge in respect of previous periods	(11,203)	-
Deferred tax	103,221	353,254
Unused tax losses	75,911	-
Total tax charge	92,018	362,143

8. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. **TANGIBLE FIXED ASSETS**

Group

	Land and Buildings £	Short leasehold £	Fixtures and fittings £	Totals £
COST				
At 1 April 2022	3,981,038	151,885	2,838,581	6,971,504
Additions	226,842	-	958,898	1,185,740
At 31 March 2023	4,207,880	151,885	3,797,479	8,157,244
DEPRECIATION				
At 1 April 2022	81,699	3,038	755,213	839,950
Charge for year	84,158	3,037	535,599	622,794
At 31 March 2023	165,857	6,075	1,290,812	1,462,744
NET BOOK VALUE				
At 31 March 2023	4,042,023	145,810	2,506,667	6,694,500
At 31 March 2022	3,899,339	148,847	2,083,368	6,131,554

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

10. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 April 2022	
and 31 March 2023	200
NET BOOK VALUE	
At 31 March 2023	200
At 31 March 2022	200

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Lionacre Properties Limited

Registered office: 34-36 London Road, Wembley, Middlesex, HA9 7EX

Nature of business: Property Rental

	% holding	2023 £	2022 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		770,082	255,700
Profit for the year		514,382	160,286

The entity has taken an exemption under Section 479A of the Companies Act 2006.

Taco - Time Limited

Registered office: 34-36 London Road, Wembley, Middlesex, HA9 7EX

Nature of business: Taco - Bell Franchisee

	% holding	2023 £	2022 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		2,532,325	2,124,137
Profit for the year		408,208	975,289

11. **INVESTMENT PROPERTY**

Group

	Total £
FAIR VALUE	
At 1 April 2022	11,998,833
Additions	8,744,783
At 31 March 2023	20,743,616
NET BOOK VALUE	
At 31 March 2023	20,743,616
At 31 March 2022	11,998,833

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

11. INVESTMENT PROPERTY - continued

Group

The 2023 valuations were made by the Director, Raja Jameel Adil, on an open market value for existing use basis.

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2022	379,051
Cost	20,364,565
	<u>20,743,616</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	Total £
FAIR VALUE	
At 1 April 2022 and 31 March 2023	<u>1,000,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>1,000,000</u>
At 31 March 2022	<u>1,000,000</u>

12. STOCKS

	Group	
	2023	2022
	£	£
Stocks	<u>157,677</u>	<u>90,415</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2023	2022
	£	£
Trade debtors	107,323	200,574
Other debtors	1,500	540,000
VAT	-	257,165
Prepayments and accrued income	456,124	582,661
	<u>564,947</u>	<u>1,580,400</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	2023	2022	2023
	£	£	£
Bank loans and overdrafts (see note 16)	80,500	91,512	-
Trade creditors	1,843,825	1,134,968	-
Tax	-	11,203	-
Social security and other taxes	90,493	144,208	-
VAT	556,747	-	-
Other creditors	342,067	1,327,696	100
Accruals and deferred income	404,482	562,111	-
	<u>3,318,114</u>	<u>3,271,698</u>	<u>100</u>

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2023	2022
	£	£
Bank loans (see note 16)	1,381,917	2,197,138
Other creditors	21,352,374	12,430,321
	<u>22,734,291</u>	<u>14,627,459</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>80,500</u>	<u>91,512</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>80,500</u>	<u>98,440</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>161,000</u>	<u>657,078</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>1,140,417</u>	<u>1,441,620</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group		Non-cancellable operating leases	
	2023	2022	
	£	£	
Within one year	204,375	260,000	
Between one and five years	-	65,000	
	<u>204,375</u>	<u>325,000</u>	

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2023	2022
	£	£
Bank loans	<u>1,462,417</u>	<u>2,288,650</u>

Bank loans are secured on the assets of the subsidiary undertaking.

Lionacre Holdings Limited (Registered number: 11544447)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

19. PROVISIONS FOR LIABILITIES

	Group	
	2023	2022
	£	£
Deferred tax	<u>481,335</u>	<u>378,114</u>
Group		
		Deferred tax
		£
Balance at 1 April 2022		378,114
Charge to Income Statement during year		103,221
Balance at 31 March 2023		<u>481,335</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
100	Ordinary	£1	
		2023	2022
		£	£
		<u>100</u>	<u>100</u>

21. RESERVES

Group			
	Retained earnings	Fair value reserve	Totals
	£	£	£
At 1 April 2022	2,072,606	307,031	2,379,637
Profit for the year	932,605		932,605
At 31 March 2023	<u>3,005,211</u>	<u>307,031</u>	<u>3,312,242</u>

22. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £144,144 (2022: £37,681). Contributions totalling £23,954 (2022: £8,145) were payable to the fund at the balance sheet date and are included in creditors.

23. RELATED PARTY DISCLOSURES

Included within Other Creditors due in less than one year at the year end are loan amounts of £21,615,598 (2022: £15,949,664) due to companies under common control. The balances have arisen from intercompany funding in the current and previous years. The loans are unsecured, free of interest and repayable on demand.

Included within Other Debtors is a loan amount of £1,500 (2022: £540,000) due from a company under common control. The balance has arisen from intercompany funding in the current and previous years. The loan is unsecured, free of interest and repayable on demand.

24. ULTIMATE CONTROLLING PARTY

The controlling party is R J Adil.