

Registered number
00396610

The Capitol (St. Austell) Ltd
Abbreviated Report and Accounts

26 June 2014

TUESDAY



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COMPANIES HOUSE

The Capitol (St. Austell) Ltd
Independent auditors' report
to the members of The Capitol (St. Austell) Ltd
under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 2 to 11, together with the financial statements of The Capitol (St Austell) Limited for the period ended 26th June 2014 prepared under section 396 of the Companies Act 2006.

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 auditor's 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

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr J H Anderson-Riley
(Senior Statutory Auditor)

for and on behalf of

Trudgeon Halling

Accountants and Statutory Auditors

23rd March 2015

The Platt
Wadebridge
Cornwall
PL27 7AE

The Capitol (St. Austell) Ltd**Registered number:**

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Directors' Report

The directors present their report and accounts for the period ended 26 June 2014.

Principal activities

The company's principal activity during the year continued to be that of the operation of cinemas.

Future developments

The company will continue to operate using its core values and methodologies which have proved successful in past years. A program of refurbishment continues to be undertaken on the existing cinemas to ensure the high standard of customer satisfaction is maintained.

Directors

The following persons served as directors during the period:

Mr David Ronald Williams
Mrs Angelina Williams
Dame Lynne Janie Blowers Brindley
Mr Robert David Williams
Mr Mark Edward Williams

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the accounts comply with the Companies Act 2006. They are 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and

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Registered number:

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Directors' Report

- 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 company's auditor is aware of that information.

This report was approved by the board on 21/3/15 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'D R Williams', with a long horizontal flourish extending to the right.

Mr D R Williams
Director

The Capitol (St. Austell) Ltd

Strategic Report

2014 has shown a small contraction of the business with sales decreasing by 11.5% on 2013 which is consistent with the additional competition in the operating market and the current economic climate seen in the UK in general.

The principal risks and uncertainties that face the company are mainly technological advancement and consumer trends.

It is the company's policy to ensure that it remains at the forefront of technological advancement through continued investment in state of the art equipment. It is the view of the directors that the current economic climate and the geographical location that the business operates in ensures that the risk of adverse consumer trends in the attendance of the company's cinemas is minimal.

As at the year end it is the view of the directors that the company is currently in a strong financial position with stable turnover and a healthy balance sheet. The current market remains strong but there is additional competition in the marketplace in comparison to prior years. The directors do not envisage this to be a significant risk to the operations of the company.

This report was approved by the board on 21/3/15 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'DR Williams', with a horizontal line extending from the end of the signature.

Mr D R Williams
Director

The Capitol (St. Austell) Ltd
Profit and Loss Account
for the period from 28 June 2013 to 26 June 2014

	Notes	2014 £	2013 £
Turnover		3,149,455	3,557,155
Gross profit after cost of sales and other operating income		<u>1,779,835</u>	<u>2,009,558</u>
Administrative expenses		(1,670,318)	(1,666,614)
Operating profit	2	<u>109,517</u>	<u>342,944</u>
Interest receivable		-	19
Interest payable	5	(113,750)	(18,908)
(Loss)/profit on ordinary activities before taxation		<u>(4,233)</u>	<u>324,055</u>
Tax on (loss)/profit on ordinary activities	6	21,060	(94,682)
Profit for the period		<u>16,827</u>	<u>229,373</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two periods.

Statement of total recognised gains and losses

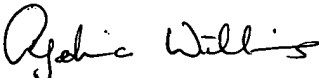
The company has no recognised gains or losses other than the profit for the above two periods.

The Capitol (St. Austell) Ltd
Balance Sheet
as at 26 June 2014

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	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	7	7,729,556	7,990,410
Current assets			
Stocks	8	20,372	24,721
Debtors	9	37,179	45,864
Cash at bank and in hand		726,609	481,772
		<u>784,160</u>	<u>552,357</u>
Creditors: amounts falling due within one year	10	(452,445)	(423,501)
Net current assets		<u>331,715</u>	<u>128,856</u>
Total assets less current liabilities		<u>8,061,271</u>	<u>8,119,266</u>
Creditors: amounts falling due after more than one year	11	(1,300,000)	(1,300,000)
Provisions for liabilities			
Deferred taxation	12	(277,856)	(352,678)
Net assets		<u>6,483,415</u>	<u>6,466,588</u>
Capital and reserves			
Called up share capital	13	9,000	9,000
Revaluation reserve	14	28,000	28,000
Capital redemption reserve	15	2,000	2,000
Profit and loss account	16	6,444,415	6,427,588
Shareholders' funds	17	<u>6,483,415</u>	<u>6,466,588</u>

The accounts have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 in regard to medium sized companies.


 Mrs Angelina Williams
 Director

Approved by the board on

21/3/15

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold properties	Over life of building of 50 years
Leasehold property	Over useful life of 50 years
Plant and machinery	15 to 33% reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Leasing and hire purchase commitments

Income from operating leases is recognised on a straight line basis over the life of the lease.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

2 Operating profit	2014	2013
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	290,363	313,409
Auditors' remuneration for audit services	3,000	2,850
Auditors' remuneration for other services	8,895	8,700
	<hr/>	<hr/>
3 Directors' emoluments	2014	2013
	£	£
Emoluments	53,250	30,000
	<hr/>	<hr/>
4 Staff costs	2014	2013
	£	£
Wages and salaries	753,787	747,497
Social security costs	6,452	1,698
Other pension costs	606	606
	<hr/>	<hr/>
	760,845	749,801
	<hr/>	<hr/>
Average number of employees during the year	Number	Number
Administration	3	3
Sales	89	92
	<hr/>	<hr/>
	92	95
	<hr/>	<hr/>
5 Interest payable	2014	2013
	£	£
Bank loans and overdrafts	-	2,658
Other loans	113,750	16,250
	<hr/>	<hr/>
	113,750	18,908
	<hr/>	<hr/>
6 Taxation	2014	2013
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	53,762	124,001
Deferred tax:		
Origination and reversal of timing differences	(28,821)	(13,402)
Effect of decreased tax rate on opening liability	(46,001)	(15,917)
	<hr/>	<hr/>
	(74,822)	(29,319)
	<hr/>	<hr/>
Tax on (loss)/profit on ordinary activities	(21,060)	94,682
	<hr/>	<hr/>

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	(4,233)	324,055
Standard rate of corporation tax in the UK after marginal relief	20.000%	22.176%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(847)	71,862
Effects of:		
Expenses not deductible for tax purposes	23,239	21,698
Capital allowances for period in excess of depreciation	31,370	30,441
Current tax charge for period	53,762	124,001

Factors that may affect future tax charges

Capital expenditure is forecasted to reduce significantly in comparison to recent years due to the completion of scheduled restorations to the premises. This will reduce the level of AIA relief available to the company increasing taxable profits. Taxable profits are likely to exceed £300,000 in future years resulting in profits being taxed at marginal tax rates.

7 Tangible fixed assets

	Freehold land and buildings £	Long leasehold land and buildings £	Plant and machinery £	Total £
Cost				
At 28 June 2013	5,420,706	2,257,341	2,035,878	9,713,925
Additions	-	-	29,509	29,509
At 26 June 2014	5,420,706	2,257,341	2,065,387	9,743,434
Depreciation				
At 28 June 2013	429,067	226,114	1,068,334	1,723,515
Charge for the period	93,984	45,525	150,854	290,363
At 26 June 2014	523,051	271,639	1,219,188	2,013,878
Net book value				
At 26 June 2014	4,897,655	1,985,702	846,199	7,729,556
At 27 June 2013	4,991,639	2,031,227	967,544	7,990,410

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

8 Stocks	2014	2013
	£	£
Finished goods and goods for resale	<u>20,372</u>	<u>24,721</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

9 Debtors	2014	2013
	£	£
Other debtors	<u>37,179</u>	<u>45,864</u>

10 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	84,077	80,143
Corporation tax	53,762	124,001
Other taxes and social security costs	48,290	62,755
Other creditors	<u>266,316</u>	<u>156,602</u>
	<u>452,445</u>	<u>423,501</u>

11 Creditors: amounts falling due after one year	2014	2013
	£	£
Other creditors	<u>1,300,000</u>	<u>1,300,000</u>

12 Deferred taxation	2014	2013
	£	£
Accelerated capital allowances	75,200	92,900
Temporary timing differences	(42,806)	(22,503)
Capital gains rolled over	<u>245,462</u>	<u>282,281</u>
Undiscounted provision for deferred tax	<u>277,856</u>	<u>352,678</u>

	2014	2013
	£	£
At 28 June	352,678	381,997
Deferred tax charge in profit and loss account	(74,822)	(29,319)
At 26 June	<u>277,856</u>	<u>352,678</u>

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

13 Share capital	Nominal value	2014 Number	2014 £	2013 £
Allotted, called up and fully paid: Ordinary shares	£1 each	9,000	<u>9,000</u>	<u>9,000</u>
14 Revaluation reserve			2014 £	
At 28 June 2013			28,000	
At 26 June 2014			<u>28,000</u>	
15 Capital redemption reserve			2014 £	
At 28 June 2013			2,000	
At 26 June 2014			<u>2,000</u>	
16 Profit and loss account			2014 £	
At 28 June 2013			6,427,588	
Profit for the period			16,827	
At 26 June 2014			<u>6,444,415</u>	
17 Reconciliation of movement in shareholders' funds			2014 £	2013 £
At 28 June			6,466,588	6,237,215
Profit for the financial period			16,827	229,373
At 26 June			<u>6,483,415</u>	<u>6,466,588</u>

The Capitol (St. Austell) Ltd
Notes to the Accounts
for the period from 28 June 2013 to 26 June 2014

18 Gross cash flows	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	-	19
Interest paid	-	(2,658)
	<u>-</u>	<u>(2,639)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	<u>(29,509)</u>	<u>(115,184)</u>
Financing		
Loan repayments	<u>-</u>	<u>(181,341)</u>

19 Analysis of changes in net debt	At 28 Jun 2013	Cash flows	Non-cash changes	At 26 Jun 2014
	£	£	£	£
Cash at bank and in hand	481,772	244,837		726,609
Total	<u>481,772</u>	<u>244,837</u>	<u>-</u>	<u>726,609</u>

20 Related party transactions	2014	2013
	£	£
Mr D R Williams		
Director and majority shareholder		
Personal loan made to the company in 2011 to finance the completion of the Lighthouse cinema. A 5% interest charge per annum based on the original loan will accrue as of 1st April 2012. Repayment of this loan will not commence until after 1st July 2015.		
Amount due from (to) the related party	(1,300,000)	(1,300,000)

21 Ultimate controlling party

The company is under the ultimate control of Mr David Ronald Williams due to his majority shareholding.