COMPANY REGISTRATION NUMBER: SC202575

FRANCO PIZZA LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 DECEMBER 2017

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FRANCO PIZZA LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 26 DECEMBER 2016 TO 31 DECEMBER 2017

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FRANCO PIZZA LIMITED

DIRECTORS' REPORT

PERIOD FROM 26 DECEMBER 2016 TO 31 DECEMBER 2017

The directors present their report and the unaudited financial statements of the company for the period ended 31 December 2017.

The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the period. It is anticipated that the company will remain dormant for the foreseeable future.

Directors

The directors who served the company during the period were as follows:

H S Grewal
P A Bunis
Bansols Directors Limited

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 6/6/2018 and signed on behalf of the board by:



H S Grewal
Director

Registered office:
120 Bothwell Street
Glasgow
G2 7JL

FRANCO PIZZA LIMITED

PROFIT AND LOSS

PERIOD FROM 26 DECEMBER 2016 TO 31 DECEMBER 2017

	Note	Period from 26 Dec 16 to 31 Dec 17 £	Period from 1 Jan 16 to 25 Dec 16 £
Turnover		–	6,137,672
Cost of sales		–	4,406,895
Gross profit		–	1,730,777
Administrative expenses		–	798,560
Operating profit		–	932,217
Other interest receivable and similar income		–	269
Interest payable and similar expenses		–	3,380
Profit before taxation	5	–	929,106
Tax on profit		–	87,864
Profit for the financial period and total comprehensive income		–	841,242

All the activities of the company are from continuing operations.

No significant accounting transactions as defined by section 1169 of the Companies Act 2006 occurred in the current period.

FRANCO PIZZA LIMITED

BALANCE SHEET

31 DECEMBER 2017

	Note	31 Dec 17 £	25 Dec 16 £
Current assets			
Debtors	6	100	100
Net current assets		100	100
Total assets less current liabilities		100	100
Capital and reserves			
Called up share capital	7	100	100
Total shareholders' funds		100	100

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the period ending 31 December 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on ...6/6/2018..., and are signed on behalf of the board by:

H S Grewal
Director

Company registration number: SC202575

The notes on pages 4 to 7 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 120 Bothwell Street, Glasgow, G2 7JL.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

On 25 December 2016, the trade and net assets of the company were hived up into D.P.K. Foods Ltd for total consideration of £1,405,910. The remaining equity within the company totalling £1,405,810 was transferred to D.P.K. Foods Ltd by way of dividend. The company continues to be a going concern as there is no intention to liquidate the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Profit and loss

The company is dormant as defined by section 1169 of the Companies Act 2006. The company received no income and incurred no expenditure during the current period.

Revenue recognition

The turnover shown in the profit and loss account represents amounts for goods sold during the year, exclusive of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	Straight line basis over the term of the trading property lease period
Plant and machinery	-	20% per annum straight line basis
Fixtures, fittings and equipment	-	20% per annum straight line basis

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

3. Accounting policies *(continued)*

Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets comprise of debtors and cash.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities comprise of creditors.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year of less. If not, then they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Employee benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

4. Employee numbers

The average number of persons employed by the company during the period, including the directors, amounted to Nil (2016: 306).

5. Profit before taxation

Profit before taxation is stated after charging:

	Period from 26 Dec 16 to 31 Dec 17	*Period from 1 Jan 16 to 25 Dec 16*
	£	£
Amortisation of intangible assets	–	74,833
Depreciation of tangible assets	–	105,032

6. Debtors

	31 Dec 17	25 Dec 16
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	100	100

7. Called up share capital

Issued, called up and fully paid

	31 Dec 17		25 Dec 16	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

8. Controlling party

The ultimate parent company is Palico Limited, a company incorporated in England and Wales. The immediate parent company is D.P.K. Foods Limited, a company incorporated in Scotland. The consolidated financial statements of Palico Limited can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.