

Puccino's Worldwide Limited

FINANCIAL STATEMENTS

for the period ended

31 December 2010



Company Registration No. SC369708

Puccino's Worldwide Limited

COMPANY INFORMATION

DIRECTORS	P Heritier R Lutton S Trombetti
SECRETARY	M Wilson
COMPANY NUMBER	SC369708
REGISTERED OFFICE	1C Newhailes Industrial Estate Newhailes Road Musselburgh East Lothian Scotland EH21 6SY
AUDITOR	Baker Tilly UK Audit LLP First Floor Quay 2 139 Fountainbridge Edinburgh EH3 9QG
BANKERS	Royal Bank of Scotland 36 St Andrew Square EDINBURGH EH2 2YB
SOLICITORS	Burness Solicitors 50 Lothian Road Festival Square EDINBURGH EH3 9WJ

Puccino's Worldwide Limited

DIRECTORS' REPORT

For the period ended 31 December 2010

The directors present their report and financial statements for the 12 month period from incorporation on 7 December 2009 to 31 December 2010.

PRINCIPAL ACTIVITIES

The principal activity of the company is franchising and operation of cafe and espresso bars, retailing a range of hot and cold food and drinks.

DIRECTORS

The following directors have held office since 7 December 2009:

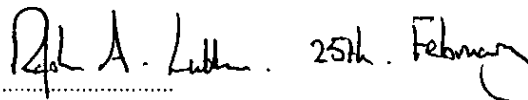
P Heritier
R Lutton
S Trombetti

STATEMENT OF DISCLOSURE TO AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board

 25th February 2011.

R Lutton
DIRECTOR

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Puccino's Worldwide Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements 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 financial statements 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUCCINO'S WORLDWIDE LIMITED

We have audited the financial statements set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 DIRECTORS AND AUDITOR

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

IVAN TAIT (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF BAKER TILLY UK AUDIT LLP, STATUTORY AUDITOR

Chartered Accountants

First Floor

Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

28/2/11

Puccino's Worldwide Limited

PROFIT AND LOSS ACCOUNT

For the period ended 31 December 2010

	Notes	12 Month Period ended 31 December 2010 £
TURNOVER		1,786,193
Cost of sales		(1,047,933)
GROSS PROFIT		738,260
Administrative expenses		(507,666)
OPERATING PROFIT	2	230,594
Loss on disposal of intangible assets		(6,000)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		224,594
Interest payable and similar charges	1	(255)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		224,339
Tax on profit on ordinary activities	3	(84,027)
PROFIT FOR THE PERIOD	8	140,312

Puccino's Worldwide Limited

BALANCE SHEET

As at 31 December 2010

	Notes	2010 £	£
FIXED ASSETS			
Intangible assets	4		22,642
CURRENT ASSETS			
Stocks		7,928	
Debtors	5	326,239	
Cash at bank and in hand		414,053	
		<u>748,220</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(630,549)</u>	
NET CURRENT ASSETS			<u>117,671</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>140,313</u></u>
CAPITAL AND RESERVES			
Called up share capital	7		1
Profit and loss account	8		140,312
SHAREHOLDERS' FUNDS			<u><u>140,313</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 4 to 9 were approved by the board of directors and authorised for issue on 25/2/11 and are signed on its behalf by:

 25th February 2011.

R Lutton
DIRECTOR

Puccino's Worldwide Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities (effective April 2008).

GOING CONCERN

The Directors expect the company to generate profits over the next twelve months and have adequate working capital to meet its obligations as they fall due. On this basis they have adopted to prepare the Company's financial statements on a going concern basis.

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).

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable net of Value Added Tax for sale of goods to customers in the ordinary nature of the business.

GOODWILL

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and written off evenly over 2 years as in the opinion of the directors this represents the period over which the goodwill is effective. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable. Goodwill is written off where confirmation of a unit closure is received.

LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

STOCK

Stock is valued at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving items.

FOREIGN CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Puccino's Worldwide Limited
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 December 2010

1	INTEREST PAYABLE	2010 £
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Included in interest payable is the following amount:

On amounts payable to group companies	255
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2	OPERATING PROFIT	2010 £
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Operating profit is stated after charging:

Amortisation of intangible assets	22,821
Auditors' remuneration	7,015

No remuneration was paid to the Directors during the period.

3	TAXATION	2010 £
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DOMESTIC CURRENT YEAR TAX

U.K. corporation tax	84,027
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CURRENT TAX CHARGE	84,027
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4	INTANGIBLE FIXED ASSETS	Goodwill £
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COST

At 7 December 2009	-
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Additions	51,463
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Disposals	(6,000)
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At 31 December 2010	45,463
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AMORTISATION

At 7 December 2009	-
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Charge for the period	22,821
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At 31 December 2010	22,821
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NET BOOK VALUE

At 31 December 2010	22,642
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Goodwill represents consideration paid to Puccino's Limited on 7 December 2009 in relation to the business transfer agreement for the units transferred across on the liquidation of Puccino's Limited.

Puccino's Worldwide Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 December 2010

5	DEBTORS	2010 £
	Trade debtors	137,677
	Other debtors	188,562
		<u>326,239</u>
6	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2010 £
	Trade creditors	165,459
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	47,375
	Taxation and social security	91,821
	Accruals and deferred income	290,740
	Other creditors	35,154
		<u>630,549</u>
7	SHARE CAPITAL	2010 £
	ALLOTTED, CALLED UP AND FULLY PAID	
	1 Ordinary of £1 each	<u>1</u>
	1 ordinary share was allotted at par value and paid during the period.	
8	STATEMENT OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT	Profit and loss account £
	Profit for the period	<u>140,312</u>

Puccino's Worldwide Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 December 2010

9 FINANCIAL COMMITMENTS

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011:

	2010 £
Operating leases which expire:	
Within one year	557,780
Between two and five years	16,000
	573,780

10 CONTROL

The entire share capital of Puccino's Worldwide Limited is owned by Brodie Melrose Drysdale & Co Limited. The ultimate controlling party is Massimo Zanetti Industries SA, a company incorporated in Luxembourg.

11 RELATED PARTY TRANSACTIONS

The following transactions were undertaken with companies under common control of Puccino's Worldwide Limited's ultimate controlling party.

Purchases of £3,468 were made during the year from Segafredo Zanetti. At 31 December 2010 there was a creditor balance outstanding of £174.

Purchases of £168,327 were made during the year from Segafredo SPA. At 31 December 2010 there was a creditor balance outstanding of £47,201.

Purchases of £1,841 were made during the year from Segafredo Zanetti Cofffee System. At 31 December 2010 there was a balance outstanding of £Nil.

Purchases of £8,535 were made during the year from Massimo Zanetti. At 31 December 2010 there was a balance outstanding of £Nil.

Management charges of £22,500 and franking recharge of £416 were charged by Brodie Melrose Drysdale & Co Limited. At 31 December 2010 there was a balance outstanding of £nil. Interest of £255 was charged by Brodie Melrose Drysdale & Co Limited on a short term loan that was repaid by 31 December 2010.

Sales to Brodie Melrose Drysdale & Co Limited of £1,500 were made during the year. At 31 December 2010 there was a balance outstanding of £Nil.