

Registration number 3084650

ASK Central Limited

Directors' Report and Financial Statements

for the 52 Weeks Ended 26 June 2011



ASK Central Limited
Contents

Company Information	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	2 to 3
Independent Auditors' Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 16

ASK Central Limited
Company Information

Directors	N Carter H Jones J Pickworth H Smyth
Registered office	Hunton House Highbridge Estate Oxford Road Uxbridge UB8 1LX
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors First Point Buckingham Gate Gatwick RH6 0PP

ASK Central Limited
Directors' Report for the 52 weeks ended 26 June 2011

The directors present their report and the audited financial statements of the Company for the 52 weeks ended 26 June 2011

Directors of the company

The directors who held office during the period were as follows

N Carter

H Jones

J Pickworth

H Smyth

Principal activities

The principal activity of the company is that of a holding company

Results and dividends

The Company's profit for the year, after taxation, amounted to £537,932,948 (2010 loss of £7,153,728). As part of a corporate restructure of the Gondola Group, the Company disposed of its investment in PizzaExpress Limited and its subsidiaries during the period, which resulted in a profit on disposal of £538,787,000.

The directors do not recommend the payment of a dividend (2010 £nil)

Business review

The casual dining market is highly competitive and the Company will seek via its subsidiaries new opportunities to open new restaurants whilst continuing to operate effectively and efficiently.

Given the holding company nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. This is achieved instead through its subsidiaries, the performance of which is measured through the use of three key performance indicators being sales and profitability versus annual budget and the number of open restaurants.

Principal risks and uncertainties

The Company's activities expose it to financial risks being primarily liquidity risk.

Liquidity risk arises as a result of the Company's intercompany debtors and creditors. The Company manages this risk by obtaining assurances from its parent undertakings that they will not seek repayment of intercompany creditors in the foreseeable future.

Financial instruments

The directors consider the Company's key financial instruments to be amounts due from/due to the intermediate parent company and fellow subsidiaries. As the interest on these balances is fixed, there is no financial exposure as a result of changes in the base rate. The Company does not employ the use of hedging instruments. The directors will revisit the appropriateness of the policy should the Company's operations change in size or nature.

Statement of Directors' responsibilities

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

ASK Central Limited
Directors' Report for the 52 weeks ended 26 June 2011

..... continued

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting 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 financial statements, and
- 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.

Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (2) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006.

Reappointment of auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board on 24 October 2011 and signed on its behalf by



J Pickworth
Director

Independent Auditors' Report to the Members of ASK Central Limited

We have audited the financial statements of ASK Central Limited for the 52 week period ended 26 June 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' responsibilities (set out on pages 2 to 3), 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 26 June 2011 and of its profit for the period 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.

Opinion on other matter 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.

**Independent Auditors' Report to the Members of
ASK Central Limited**

..... continued

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

Rosemary Shapland

Rosemary Shapland (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

24 October 2011

ASK Central Limited
Profit and Loss Account for the 52 weeks ended 26 June 2011

	Note	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Turnover		-	-
Operating profit/(loss)	2	-	-
Profit on disposal of fixed assets	3	538,787	-
Interest receivable and similar income	6	5,918	702
Interest payable and similar charges	7	(7,096)	(10,638)
Profit/(loss) on ordinary activities before taxation		537,609	(9,936)
Tax on profit/(loss) on ordinary activities	8	324	2,782
Profit/(loss) for the financial period	13	537,933	(7,154)

Operating profit derives wholly from continuing operations

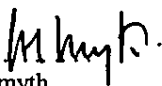
There is no material difference between the profit/ (loss) on ordinary activities before taxation and the retained profit/ (loss) for the period stated above and their historical cost equivalents

The company has no recognised gains or losses for the financial period other than the results above, and therefore no separate statement of total recognised gains and losses has been presented

ASK Central Limited
(Registration number: 3084650)
Balance Sheet as at 26 June 2011

	Note	26 June 2011 £ 000	27 June 2010 £ 000
Fixed assets			
Investments	9	<u>26,982</u>	<u>443,030</u>
Current assets			
Debtors	10	612,943	55,716
Creditors Amounts falling due within one year	11	<u>(115,298)</u>	<u>(512,052)</u>
Net current assets/(liabilities)		<u>497,645</u>	<u>(456,336)</u>
Net assets/(liabilities)		<u>524,627</u>	<u>(13,306)</u>
Capital and reserves			
Called up share capital	12	5,063	5,063
Share premium account	13	20,914	20,914
Profit and loss account	13	<u>498,650</u>	<u>(39,283)</u>
Total shareholders' funds/(deficit)	14	<u>524,627</u>	<u>(13,306)</u>

Approved by the Board on 24 October 2011 and signed on its behalf by


H Smyth
Director

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. The principal accounting policies, which have been applied consistently throughout the year are set out below.

ASK Central Limited is exempt under the Companies Act 2006 s400 from the obligation to prepare and deliver group accounts as it is a subsidiary undertaking of Gondola Group Limited, a company incorporated in Great Britain, which itself draws up consolidated financial statements.

Going concern

The directors have considered the financial position of the Company and concluded that it is appropriate to prepare the accounts on a going concern basis. This is after taking account of the assurances provided by Gondola Holdings Limited that it will not seek any repayment of the amounts owed by the Company to Gondola Holdings Limited, so as to enable the Company to meet its financial obligations as they fall due for the foreseeable future.

Fixed asset investments

Investments are valued at cost less provision for any impairment in value.

Deferred tax

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date which are due to transactions or events which have occurred at that date and which will result in an obligation to pay more, or a right to pay less, tax in the future.

Resultant deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the deferred tax assets resulting from the underlying timing differences can be recovered.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2 Operating profit

The audit fee for the Company for the period was £3,500 (2010: £3,500). Auditors' remuneration for the 52 weeks ended 26 June 2011 and 27 June 2010 is borne by and included within the accounts of ASK Restaurants Limited, a subsidiary undertaking.

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

3 Profit on disposal of fixed assets

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Profit on sale of fixed assets	<u>538,787</u>	<u>-</u>

The profit on disposal relates to the disposal of the Company's investment in PizzaExpress Limited and its subsidiaries as a result of a wider Group restructure

4 Particulars of employees

The company has no employees (2010 none)

5 Directors' remuneration

No remuneration was paid by the Company to any director during the period (2010 £nil)

H Smyth and N Carter are directors of the intermediate parent company, Gondola Holdings Limited and are remunerated by that company. The emoluments of H Jones and J Pickworth are paid by ASK Restaurants Limited which makes no recharge to the Company. It is not possible to make an accurate apportionment of the directors' emoluments of in respect of each of the companies of which they are directors.

The Company does not operate a defined benefit pension scheme and does not make any contributions to defined contribution schemes. No directors had any interests in any options for shares in the Company.

6 Interest receivable and similar income

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Inter-company interest receivable	<u>5,918</u>	<u>702</u>

7 Interest payable and similar charges

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Inter-company interest payable	<u>7,096</u>	<u>10,638</u>

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

8 Taxation

Tax on profit/(loss) on ordinary activities

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Current tax		
UK corporation tax credit	(324)	(2,782)
Total current tax	<u>(324)</u>	<u>(2,782)</u>

Factors affecting current tax charge for the period

Tax on profit/(loss) on ordinary activities for the year is lower than (2010 - the same as) the standard rate of corporation tax in the UK of 27.5% (2010 - 28%)

The differences are reconciled below

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Profit/(loss) on ordinary activities before taxation	<u>537,609</u>	<u>(9,936)</u>
Profit/(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 27.5% (2010 - 28%)	147,842	(2,782)
Income not chargeable for tax purposes	<u>(148,166)</u>	<u>-</u>
Total current tax	<u>(324)</u>	<u>(2,782)</u>

Factors that may affect future tax charges

The standard rate of corporation tax in the UK changed from 28% to 26% with effect from 1 April 2011. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 27.5% and will be taxed at 26% from 1 April 2011 and then at 25% from 1 April 2012.

Based on current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year.

There is no deferred tax balance as there are no temporary differences between accounting profit/(loss) and profit/(loss) for taxation purposes.

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

9 Fixed asset investments

	26 June 2011	27 June 2010
	£ 000	£ 000
Shares in group undertakings and participating interests	<u>26,982</u>	<u>443,030</u>
Shares in group undertakings and participating interests		
		Subsidiary
		undertakings
		£ 000
Cost		
At 28 June 2010		443,030
Disposals		<u>(416,048)</u>
At 26 June 2011		<u>26,982</u>
Net book value		
At 26 June 2011		<u>26,982</u>
At 27 June 2010		<u>443,030</u>

During the year the Company disposed of it's investment in PizzaExpress Limited as part of a Group restructure

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
ASK Restaurants Limited	Ordinary Shares	100%	Operation of restaurants

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... *continued*

10 Debtors

	26 June 2011 £ 000	27 June 2010 £ 000
Amounts owed by group undertakings	612,943	55,716
	<u>612,943</u>	<u>55,716</u>

The amounts owed by group undertakings accrue interest at 4 per cent and are repayable on demand

11 Creditors: Amounts falling due within one year

	26 June 2011 £ 000	27 June 2010 £ 000
Amounts owed to group undertakings	115,297	512,052
Corporation tax	1	-
	<u>115,298</u>	<u>512,052</u>

The amounts owed to group undertakings accrue interest at 4 per cent and are repayable on demand

12 Share capital

Authorised shares

	26 June 2011		27 June 2010	
	Number	£ 000	Number	£ 000
Ordinary shares of £0.05 each	<u>140,000,000</u>	<u>7,000</u>	<u>140,000,000</u>	<u>7,000</u>

Allotted, called up and fully paid shares

	26 June 2011		27 June 2010	
	Number	£ 000	Number	£ 000
Ordinary shares of £0.05 each	<u>101,265,600</u>	<u>5,063</u>	<u>101,265,600</u>	<u>5,063</u>

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

13 Reserves

	Share premium account £ 000	Profit and loss account £ 000	Total £ 000
At 28 June 2010	20,914	(39,283)	(18,369)
Profit for the period	-	537,933	537,933
At 26 June 2011	<u>20,914</u>	<u>498,650</u>	<u>519,564</u>

14 Reconciliation of movements in shareholders' funds

	52 weeks ended 26 June 2011 £ 000	52 weeks ended 27 June 2010 £ 000
Profit/(loss) for the financial period	537,933	(7,154)
Net addition/(reduction) to shareholders' funds	537,933	(7,154)
Shareholders' deficit at start of period	(13,306)	(6,152)
Shareholders' funds/(deficit) at end of period	<u>524,627</u>	<u>(13,306)</u>

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

15 Contingent liabilities

On 22 December 2006, the Company and certain of the Company's subsidiaries and parent undertakings (together the "Senior and Mezzanine Guarantors") became guarantors to a Senior Credit Facilities Agreement and a Mezzanine Facility Agreement (together the "Agreements") between Gondola Acquisitions Limited, Gondola Finance 2 Limited (parent undertakings of the Company) and The Bank of Scotland plc

The amounts outstanding at the balance sheet dates for these loans were £511.6 million (2010 £556.2 million) under the Senior Facilities and £71.1 million (2010 £68.5 million) under the Mezzanine facility, including accrued interest

Each Senior and Mezzanine Guarantor irrevocably and unconditionally jointly and severally

- Guarantees to each finance party the punctual performance of each borrower, guarantor and charger (each an obligor) of all such obligor's obligations under the Agreements,
- Undertakes with each finance party that whenever an obligor does not pay any amount when due under or in connection with any Senior Finance Document, that the guarantor shall immediately on demand pay that amount as if it was the principal obligor, and
- Indemnifies each finance party immediately on demand against any cost, loss or liability suffered by that finance party as a result of the guarantee being unenforceable, invalid or illegal

The same companies have also provided security for all indebtedness, liabilities and obligations of any member of the Group under the Agreements. The security comprises floating charges over all assets and undertakings of the Senior and Mezzanine Guarantors

16 Ultimate parent undertakings

At 26 June 2011 the immediate parent company of ASK Central Limited is Gondola Holdings Limited, an indirect subsidiary of Gondola Group Limited, a limited company under the laws of England and Wales and the smallest and the largest group for which consolidated financial statements are prepared. The accounts of Gondola Group Limited are available from the Company Secretary, 5th Floor, 2 Balcombe Street, London, NW1 6NW

At 26 June 2011 Gondola Group Limited's ultimate parent undertakings were Fourth Cinven Fund (No 1) LP, Fourth Cinven Fund (No 2) LP, Fourth Cinven Fund (No 3 - VCOC) LP, Fourth Cinven Fund (No 4) LP, Fourth Cinven Fund (UBTI) LP, Fourth Cinven Fund Co-Investment Partnership, Fourth Cinven (MACIF) Partnership and Fourth Cinven Fund (FCPR) (together the "Cinven Funds"), being funds managed and advised by Cinven Limited, a company incorporated under the laws of England and Wales

Accordingly, the directors consider the Company's ultimate controlling party to be Cinven Limited, the manager and advisor to the Cinven Funds

ASK Central Limited

Notes to the Financial Statements for the 52 weeks ended 26 June 2011

..... continued

17 Cash flow statement

The Company has taken advantage of the exemption provided by Financial Reporting Standard 1 (revised 1996) not to produce a cash flow statement on the grounds that a consolidated cash flow is produced by its parent company, Gondola Group Limited

18 Related party transactions

The Company is exempt under the terms of paragraph 3(c) of Financial Reporting Standard 8, 'Related Party Disclosure', from disclosing related party transactions with entities that are part of the Gondola Group Limited group