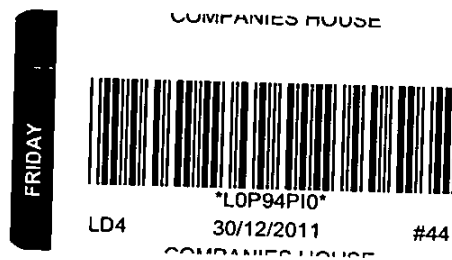


**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011**  
**FOR**  
**FORTHGLEN INVESTMENTS LIMITED**



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**FORTHGLEN INVESTMENTS LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2011**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>5</b>
<b>Balance Sheet</b>	<b>6</b>
<b>Cash Flow Statement</b>	<b>7</b>
<b>Notes to the Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9</b>
<b>Trading and Profit and Loss Account</b>	<b>14</b>

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**FORTHGLEN INVESTMENTS LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2011**

**DIRECTORS:**

D Patel  
H Desai  
Mrs R Desai

**SECRETARY:**

D Patel

**REGISTERED OFFICE:**

C/O Butler & Co LLP  
3rd Floor  
126-134 Baker Street  
London  
W1U 6UE

**REGISTERED NUMBER:**

3324596

**AUDITORS:**

Butler & Co LLP  
Chartered Accountants  
& Statutory Auditor  
Third Floor  
126 - 134 Baker Street  
London  
W1U 6UE

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**FORTHGLEN INVESTMENTS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2011**

The directors present their report with the financial statements of the company for the year ended 31 March 2011

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of operating and managing restaurants

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements

The success of company is determined by the quality of its people, food, services and cleanliness. Despite the competitive environment and upward cost pressure we do not compromise on the quality of our ingredients. We expect to absorb all the cost pressures by a combination of increased revenues and operating efficiencies.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2011

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of this report

D Patel

H Desai

Mrs R Desai

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company's financial instruments comprise cash and liquid resources, various items such as trade debtors, trade creditors etc, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are liquidity risk, interest rate risk, credit risk, and market risk.

**Liquidity risk**

The company has to manage the financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by rolling credit facilities.

**Interest rate risk**

The company's exposure to market risk for changes in interest rates relates primarily to bank loan and overdraft facilities. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

**Credit risk**

The company financial asset is cash. It is exposed to credit risk in respect of its cash balances as it uses only one financial institutions.

**Market risk**

Market risk encompasses fair value interest rate risk and price risk. The price risk has been ignored as it is not considered a significant risk to the business. Managing fair value interest rate risk is considered along with those for managing cash flow interest rate risk and is set out in the section entitled "interest rate risk" above.

**FORTHGLEN INVESTMENTS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2011**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 these financial statements, the directors are 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 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and 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.

**AUDITORS**

The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



H Desai - Director

Date 29 December 2011

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**FORTHGLEN INVESTMENTS LIMITED**

We have audited the financial statements of Forthglen Investments Limited for the year ended 31 March 2011 on pages five to thirteen. 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).

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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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.

**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 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 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 March 2011 and of its 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year 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.

Sanjeev Phadke (Senior Statutory Auditor)  
for and on behalf of Butler & Co LLP  
Chartered Accountants  
& Statutory Auditor  
Third Floor  
126 - 134 Baker Street  
London  
W1U 6UE



Date 29 December 2011

**FORTHGLEN INVESTMENTS LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011 £	2010 £
<b>TURNOVER</b>		3,911,976	4,399,727
Cost of sales		2,537,099	2,697,993
<b>GROSS PROFIT</b>		1,374,877	1,701,734
Administrative expenses		1,207,256	1,263,086
		167,621	438,648
Other operating income		2,343	55,388
<b>OPERATING PROFIT</b>	3	169,964	494,036
Interest receivable and similar income		-	20
		169,964	494,056
Interest payable and similar charges	4	75,948	95,863
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		94,016	398,193
Tax on profit on ordinary activities	5	(22,237)	161,981
<b>PROFIT FOR THE FINANCIAL YEAR</b>		116,253	236,212

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

**FORTHGLEN INVESTMENTS LIMITED****BALANCE SHEET**  
**31 MARCH 2011**

	Notes	2011 £	2010 £
<b>FIXED ASSETS</b>			
Intangible assets	6	-	-
Tangible assets	7	6,259,344	6,416,753
		<u>6,259,344</u>	<u>6,416,753</u>
<b>CURRENT ASSETS</b>			
Stocks	8	40,685	41,744
Debtors	9	15,772	37,313
Cash at bank		706,516	498,773
		<u>762,973</u>	<u>577,830</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	2,183,453	1,961,007
<b>NET CURRENT LIABILITIES</b>		<u>(1,420,480)</u>	<u>(1,383,177)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,838,864	5,033,576
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	(3,039,862)	(3,307,934)
<b>PROVISIONS FOR LIABILITIES</b>	13	<u>(186,100)</u>	<u>(228,993)</u>
<b>NET ASSETS</b>		<u><u>1,612,902</u></u>	<u><u>1,496,649</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	499,980	499,980
Profit and loss account	15	1,112,922	996,669
<b>SHAREHOLDERS' FUNDS</b>	19	<u><u>1,612,902</u></u>	<u><u>1,496,649</u></u>

The financial statements were authorised for issue by the Board of Directors on *29 December 2011* and were signed on its behalf by



H Desai - Director

The notes form part of these financial statements



**FORTHGLEN INVESTMENTS LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	£ 2011	£ 2010
		£	£
Net cash inflow from operating activities	1	285,617	218,856
Returns on investments and servicing of finance	2	(75,948)	(95,843)
Taxation		(73,123)	(14,485)
Capital expenditure	2	(97,548)	(18,647)
Increase in cash in the period		<u>38,998</u>	<u>89,881</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		38,998	89,881
Cash outflow from decrease in debt		<u>591,498</u>	<u>656,224</u>
Change in net debt resulting from cash flows		<u>630,496</u>	<u>746,105</u>
Movement in net debt in the period		630,496	746,105
Net debt at 1 April		<u>(3,426,641)</u>	<u>(4,172,746)</u>
Net debt at 31 March		<u>(2,796,145)</u>	<u>(3,426,641)</u>

The notes form part of these financial statements

**FORTHGLEN INVESTMENTS LIMITED****NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2011****1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2011 £	2010 £
Operating profit	169,964	494,036
Depreciation charges	254,957	260,477
Loan repayable within 1 year	(591,498)	(656,223)
Decrease in stocks	1,059	11,931
Decrease/(Increase) in debtors	21,541	(8,186)
Increase in creditors	429,594	116,821
<b>Net cash inflow from operating activities</b>	<b>285,617</b>	<b>218,856</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2011 £	2010 £
<b>Returns on investments and servicing of finance</b>		
Interest received	-	20
Interest paid	(75,948)	(95,863)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(75,948)</b>	<b>(95,843)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(97,548)	(18,647)
<b>Net cash outflow for capital expenditure</b>	<b>(97,548)</b>	<b>(18,647)</b>

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1/4/10 £	Cash flow £	At 31/3/11 £
<b>Net cash</b>			
Cash at bank	498,773	207,743	706,516
Bank overdraft	(396,375)	(168,745)	(565,120)
	<u>102,398</u>	<u>38,998</u>	<u>141,396</u>
<b>Debt</b>			
Debts falling due within one year	(667,365)	87,030	(580,335)
Debts falling due after one year	(2,861,674)	504,468	(2,357,206)
	<u>(3,529,039)</u>	<u>591,498</u>	<u>(2,937,541)</u>
<b>Total</b>	<b>(3,426,641)</b>	<b>630,496</b>	<b>(2,796,145)</b>

The notes form part of these financial statements

# **FORTHGLEN INVESTMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MARCH 2011**

### **1 ACCOUNTING POLICIES**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention

As at 31st March 2011 current liabilities exceeded current assets by £ 1,420,480 (2010 - £ 1,383,177) However, the directors of the company consider that the going concern basis is appropriate in view of the assurance of continuing financial support, which the company has received from its shareholders

#### **Turnover**

Turnover represents fair value of consideration received for goods and services provided in the normal course of business, net of VAT

Revenue related to income received from customers who eat and drink in the restaurants, is recognised on the day the event occurs

#### **Tangible fixed assets**

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

Freehold property	- 2% on cost
Plant and machinery	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

#### **Stocks**

Stock are stated at the lower of cost and net realisable value Cost represents the average cost Net realisable value represents the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses

#### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

### **2 STAFF COSTS**

	2011 £	2010 £
Wages and salaries	1,318,307	1,346,697
Social security costs	88,798	96,584
	<u>1,407,105</u>	<u>1,443,281</u>

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

	2011	2010
Office and management	3	3
Restaurant staff	204	115
	<u>207</u>	<u>118</u>

**FORTHGLEN INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2011****3 OPERATING PROFIT**

The operating profit is stated after charging

	2011 £	2010 £
Depreciation - owned assets	<u>254,957</u>	<u>260,478</u>
Directors' remuneration	<u>-</u>	<u>-</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2011 £	2010 £
Bank loan interest	<u>75,948</u>	<u>95,863</u>

**5 TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	20,656	101,619
Deferred tax	(42,893)	60,362
Tax on profit on ordinary activities	<u>(22,237)</u>	<u>161,981</u>

UK corporation tax has been charged at 21% (2010 - 28%)

**Factors affecting the tax (credit)/charge**

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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>94,016</u>	<u>398,193</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2010 - 28%)	19,743	111,494
Effects of		
Excess of depreciation over capital allowances	913	8,854
Marginal relief	-	(18,729)
Current tax (credit)/charge	<u>20,656</u>	<u>101,619</u>

**FORTHGLEN INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2011****6 INTANGIBLE FIXED ASSETS**

	Patents and licences £
<b>COST</b>	
At 1 April 2010 and 31 March 2011	3,208
<b>AMORTISATION</b>	
At 1 April 2010 and 31 March 2011	3,208
<b>NET BOOK VALUE</b>	
At 31 March 2011	-
At 31 March 2010	-

**7 TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 April 2010	2,525,805	3,444,090	2,402,712	5,500	8,378,107
Additions	-	-	91,398	6,150	97,548
At 31 March 2011	2,525,805	3,444,090	2,494,110	11,650	8,475,655
<b>DEPRECIATION</b>					
At 1 April 2010	358,582	646,406	951,755	4,611	1,961,354
Charge for year	32,578	66,384	154,235	1,760	254,957
At 31 March 2011	391,160	712,790	1,105,990	6,371	2,216,311
<b>NET BOOK VALUE</b>					
At 31 March 2011	2,134,645	2,731,300	1,388,120	5,279	6,259,344
At 31 March 2010	2,167,223	2,797,684	1,450,957	889	6,416,753

**8 STOCKS**

	2011 £	2010 £
Goods for resale	40,685	41,744

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Other debtors	15,752	37,293
Prepayments and accrued income	20	20
	15,772	37,313

**FORTHGLEN INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2011****10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Bank loans and overdrafts (see note 12)	1,145,455	1,063,740
Trade creditors	426,523	191,987
Tax	92,225	144,692
Social security and other taxes	156,116	167,584
Other creditors	274,309	294,614
Accrued expenses	88,825	98,390
	<u>2,183,453</u>	<u>1,961,007</u>

**11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011	2010
	£	£
Bank loans (see note 12)	2,357,206	2,861,674
Directors Loan account	682,656	446,260
	<u>3,039,862</u>	<u>3,307,934</u>

**12 LOANS**

The Bank loans are repayable by monthly instalments. All loans and overdraft facilities are secured by monies debentures by the company over the whole assets of the company. First legal mortgage over 25 Lover Park Road, Bristol, BS1 5BN granted and first legal mortgage over 27 Westgate street, Cardiff, CF10 1DD granted with Bank of Scotland.

Loan and overdraft facilities secured with Natwest banks are debentures on all assets of the company. Leasehold 1st legal charge on Station Building, 1-4 Southend Road, Beckenham, Kent, 25-27 Montpellier Vale, Blackheath, London, SE3 and 29-31 Montpellier Vale, Blackheath, London, SE3.

**13 PROVISIONS FOR LIABILITIES**

	2011	2010
	£	£
Deferred tax	<u>186,100</u>	<u>228,993</u>
		Deferred tax
		£
Balance at 1 April 2010		228,993
Deferred tax		(42,893)
Balance at 31 March 2011		<u>186,100</u>

**14 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			2011	2010
Number	Class	Nominal value	£	£
499,980	Ordinary	1	<u>499,980</u>	<u>499,980</u>

**FORTHGLEN INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2011**

**15 RESERVES**

	Profit and loss account £
At 1 April 2010	996,669
Profit for the year	116,253
At 31 March 2011	<u>1,112,922</u>

**16 OTHER FINANCIAL COMMITMENTS**

The company's bankers hold a composite guarantee from the company in relation to borrowings by three related undertakings

**17 RELATED PARTY DISCLOSURES**

As at the year end the company owed £ 271,030 ( 2010 - £ 271,030) to its related company 'Baystate Company Limited'

As at the year end the company owed £ 501,047 ( 2010 - £ 348,859) to Mr H Desai, director of the company

As at the year end the company owed £ 34,723 ( 2010 - £ 33,872) to Mrs R Desai, director of the company

As at the year end the company owed £ 146,886 ( 2010 - £ 63,529) to Mr D Patel, director of the company

**18 ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party in the company

**19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	<u>116,253</u>	<u>236,212</u>
Net addition to shareholders' funds	116,253	236,212
Opening shareholders' funds	<u>1,496,649</u>	<u>1,260,437</u>
Closing shareholders' funds	<u>1,612,902</u>	<u>1,496,649</u>