

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012
FOR
FORTHGLEN INVESTMENTS LIMITED

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FORTHGLEN INVESTMENTS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2012

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FORTHGLEN INVESTMENTS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012

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:

03324596

AUDITORS:

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

FORTHGLEN INVESTMENTS LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012

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 2012

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 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 2012

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 18 4 2013

**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 2012 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 Report of the Directors 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 2012 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

18 April 2013

FORTHGLEN INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
TURNOVER		3,832,847	3,911,976
Cost of sales		<u>2,325,451</u>	<u>2,492,554</u>
GROSS PROFIT		1,507,396	1,419,422
Administrative expenses		<u>1,341,136</u>	<u>1,251,801</u>
		166,260	167,621
Other operating income		<u>11,270</u>	<u>2,343</u>
OPERATING PROFIT	3	177,530	169,964
Interest payable and similar charges	4	<u>59,608</u>	<u>75,948</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		117,922	94,016
Tax on profit on ordinary activities	5	<u>43,053</u>	<u>(22,237)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>74,869</u></u>	<u><u>116,253</u></u>

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 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	6,026,959	6,259,344
		<u>6,026,959</u>	<u>6,259,344</u>
CURRENT ASSETS			
Stocks	8	54,180	40,685
Debtors	9	76,103	15,772
Cash at bank		53,004	706,516
		<u>183,287</u>	<u>762,973</u>
CREDITORS			
Amounts falling due within one year	10	1,617,307	2,183,453
		<u>1,617,307</u>	<u>2,183,453</u>
NET CURRENT LIABILITIES		<u>(1,434,020)</u>	<u>(1,420,480)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,592,939</u>	<u>4,838,864</u>
CREDITORS			
Amounts falling due after more than one year	11	(2,725,788)	(3,039,862)
PROVISIONS FOR LIABILITIES	13	(179,380)	(186,100)
		<u>(179,380)</u>	<u>(186,100)</u>
NET ASSETS		<u>1,687,771</u>	<u>1,612,902</u>
CAPITAL AND RESERVES			
Called up share capital	14	499,980	499,980
Profit and loss account	15	1,187,791	1,112,922
		<u>1,687,771</u>	<u>1,612,902</u>
SHAREHOLDERS' FUNDS	19	<u>1,687,771</u>	<u>1,612,902</u>

The financial statements were authorised for issue by the Board of Directors on **18 4 2013** 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 2012**

	Notes	2012 £	2011 £
Net cash (outflow)/inflow from operating activities	1	(22,821)	285,617
Returns on investments and servicing of finance	2	(59,608)	(75,948)
Taxation		(93,618)	(73,123)
Capital expenditure	2	(7,452)	(97,548)
(Decrease)/increase in cash in the period		<u>(183,499)</u>	<u>38,998</u>

Reconciliation of net cash flow to movement in net debt

	3		
(Decrease)/increase in cash in the period		(183,499)	38,998
Cash outflow from decrease in debt		<u>520,844</u>	<u>591,498</u>
Change in net debt resulting from cash flows		<u>337,345</u>	<u>630,496</u>
Movement in net debt in the period		337,345	630,496
Net debt at 1 April		<u>(2,796,145)</u>	<u>(3,426,641)</u>
Net debt at 31 March		<u>(2,458,800)</u>	<u>(2,796,145)</u>

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012****1 RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2012 £	2011 £
Operating profit	177,530	169,964
Depreciation charges	239,839	254,957
Loan repayable within 1 year	(520,846)	(591,499)
(Increase)/decrease in stocks	(13,495)	1,059
(Increase)/decrease in debtors	(60,331)	21,541
Increase in creditors	154,482	429,595
Net cash (outflow)/inflow from operating activities	(22,821)	285,617

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest paid	(59,608)	(75,948)
Net cash outflow for returns on investments and servicing of finance	(59,608)	(75,948)
 Capital expenditure		
Purchase of tangible fixed assets	(7,452)	(97,548)
Net cash outflow for capital expenditure	(7,452)	(97,548)

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/11 £	Cash flow £	At 31/3/12 £
Net cash			
Cash at bank	706,516	(653,512)	53,004
Bank overdrafts	(565,120)	470,013	(95,107)
	<u>141,396</u>	<u>(183,499)</u>	<u>(42,103)</u>
 Debt			
Debts falling due within one year	(580,335)	-	(580,335)
Debts falling due after one year	(2,357,206)	520,844	(1,836,362)
	<u>(2,937,541)</u>	<u>520,844</u>	<u>(2,416,697)</u>
 Total	(2,796,145)	337,345	(2,458,800)

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

As at 31st March 2012 current liabilities exceeded current assets by £1,434,020 (2011 - £1,420,480). 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

Stocks 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

	2012 £	2011 £
Wages and salaries	1,030,058	1,308,996
Social security costs	263,679	98,109
	<u>1,293,737</u>	<u>1,407,105</u>

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

	2012	2011
Office and management	3	3
Restaurant staff	200	204
	<u>203</u>	<u>207</u>

FORTHGLEN INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012****3 OPERATING PROFIT**

The operating profit is stated after charging

	2012	2011
	£	£
Depreciation - owned assets	239,837	254,957
Auditors' remuneration	4,800	4,600
	<u> </u>	<u> </u>
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Bank loan interest	59,608	75,948
	<u> </u>	<u> </u>

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

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

	2012	2011
	£	£
Current tax		
UK corporation tax	49,773	20,656
Deferred tax	(6,720)	(42,893)
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	43,053	(22,237)
	<u> </u>	<u> </u>

UK corporation tax was charged at 21% in 2011

Factors affecting the tax charge/(credit)

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

	2012	2011
	£	£
Profit on ordinary activities before tax	117,922	94,016
	<u> </u>	<u> </u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 21%)	30,660	19,743
Effects of Depreciation in excess of capital allowances	34,045	913
Marginal relief	(14,932)	-
	<u> </u>	<u> </u>
Current tax charge/(credit)	49,773	20,656
	<u> </u>	<u> </u>

FORTHGLEN INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012****6 INTANGIBLE FIXED ASSETS**

	Patents and licences £
COST	
At 1 April 2011 and 31 March 2012	3,208
AMORTISATION	
At 1 April 2011 and 31 March 2012	3,208
NET BOOK VALUE	
At 31 March 2012	-
At 31 March 2011	-

7 TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1 April 2011	2,525,805	3,444,090	2,494,110	11,650	8,475,655
Additions	-	-	7,452	-	7,452
At 31 March 2012	2,525,805	3,444,090	2,501,562	11,650	8,483,107
DEPRECIATION					
At 1 April 2011	391,160	712,790	1,105,990	6,371	2,216,311
Charge for year	32,578	66,383	139,556	1,320	239,837
At 31 March 2012	423,738	779,173	1,245,546	7,691	2,456,148
NET BOOK VALUE					
At 31 March 2012	2,102,067	2,664,917	1,256,016	3,959	6,026,959
At 31 March 2011	2,134,645	2,731,300	1,388,120	5,279	6,259,344

8 STOCKS

	2012 £	2011 £
Goods for resale	54,180	40,685

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Other debtors	16,168	15,752
Prepayments and accrued income	59,935	20
	76,103	15,772

FORTHGLEN INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012****10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Bank loans and overdrafts (see note 12)	675,442	1,145,455
Trade creditors	164,733	426,523
Tax	48,380	92,225
Social security and other taxes	29,027	156,116
Other creditors	603,833	274,309
Accrued expenses	95,892	88,825
	<u>1,617,307</u>	<u>2,183,453</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans (see note 12)	1,836,362	2,357,206
Directors Loan account	889,426	682,656
	<u>2,725,788</u>	<u>3,039,862</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 Montpelier Vale, Blackheath, London, SE3 and 29-31 Montpelier Vale, Blackheath, London, SE3.

13 PROVISIONS FOR LIABILITIES

	2012	2011
	£	£
Deferred tax	<u>179,380</u>	<u>186,100</u>
		Deferred tax
		£
Balance at 1 April 2011		186,100
Deferred tax		(6,720)
Balance at 31 March 2012		<u>179,380</u>

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2012	2011
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 2012****15 RESERVES**

	Profit and loss account £
At 1 April 2011	1,112,922
Profit for the year	74,869
At 31 March 2012	<u>1,187,791</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 £594,320 (2011 - £271,030) to its related company 'Baystate Company Limited'

As at the year end the company owed £569,898 (2011 - £501,047) to Mr H Desai, director of the company

As at the year end the company owed £47,707 (2011 - £34,723) to Mrs R Desai, director of the company

As at the year end the company owed £271,822 (2011 - £ 146,886) 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

	2012 £	2011 £
Profit for the financial year	<u>74,869</u>	<u>116,253</u>
Net addition to shareholders' funds	74,869	116,253
Opening shareholders' funds	<u>1,612,902</u>	<u>1,496,649</u>
Closing shareholders' funds	<u>1,687,771</u>	<u>1,612,902</u>