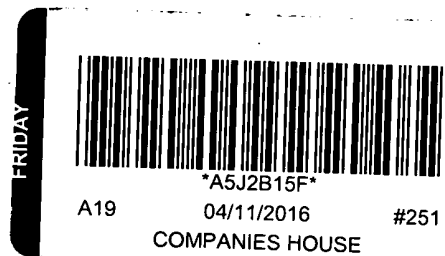


Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 March 2016
for
FORTHGLEN INVESTMENTS LIMITED



Contents of the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	6
Income Statement	7
Other Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13
Reconciliation of Equity	20
Reconciliation of Profit	22

FORTHGLEN INVESTMENTS LIMITED

Company Information
FOR THE YEAR ENDED 31 MARCH 2016

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 (REGISTERED NUMBER: 03324596)

Strategic Report
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their strategic report for the year ended 31 March 2016.

REVIEW OF BUSINESS

The company continued its principal activities of operating in the eating and drinking- out market from four different locations in the UK with the brand name "ZeroDegrees".

The current economic environment continues to be challenging, the gross profit margin is 42% (2015 42%). As a result, cost and margin control are of paramount importance to the company. A number of cost reduction and supplier negotiation initiatives are taking place during 2016/17 which will contributed to better financial performance in the future.

Key Performance Indicators

	2016 £	2015 £
Turnover	£4,158,213	£3,954,314
Cost of sales	£2,424,219	£2,309,203
As a % of sales	58%	58%
Other income	£35,697	£41,058
Operating costs	£1,575,468	£1,486,914
Operating results	£194,223	£199,255

The success of company and its performance 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 control the cost wherever possible and also absorb all other random variation affecting the business by a combination of increased revenues and operating efficiencies.

Our vision is that guest love to eat and drink with us. And, we aim to achieve this by looking at our markets, our guests and our brands and identify where there are opportunities for us to grow our business and developing superior brand propositions with high levels of consumer relevance, recruit, retain and develop people who deliver excellent service for our guests.

Strategic Report
FOR THE YEAR ENDED 31 MARCH 2016

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have considered the principal risks and uncertainties affecting the company as at 31 March 2016 and up to the date of this report.

Market risks

Failure to anticipate pricing and market changes

External influences, such as changes in the general economic climate or competitor's activity, could have a detrimental effect on customers' spending patterns and therefore the Company's revenue, profitability and consequently the value of its assets. Zero degree is focused on the long-term potential of the eating and drinking out market. The company owns sites in four different places in the UK with a wide spectrum of customer offers targeted at different consumer groups. This range allows the company to respond to changes in consumer expenditure either by flexing our offerings or by substituting a different offering at a particular location. This activity is supported by branch manager who analyses and evaluates a range of information including that in respect of competitors.

Failure to anticipate changes in consumer taste

Social and demographic changes are constantly driving the culture and taste of eating and drinking out trend and consumer behaviour. The company focuses on guest feedback seriously. This feedback together with the observation from the markets is monitored and evaluated by a top level management to ensure that the relevance to customer taste is maintained.

Operational risks

Cost of goods price increases

Increases in the price of goods for resale and utilities costs as a result of increase in global demand and uncertainty of supply in producing nations can have a significant impact on the cost base consequently impacting margins. The company negotiates to drive competitive cost advantage and collaborates with supplier to increase efficiencies in the supply chain. The fragmented nature of the food supply industry markets gives the company the opportunity to source product from a number of alternative suppliers in order to drive down costs. The company continually evolves the composition of menus and retail prices in order to optimise value to the customer as well as profit for the company.

Failure to attract high quality teams to operate micro-brewery plants and chefs

The company makes significant investment in training to ensure that its people have the right skills to perform their jobs successfully and implement good Human Resources practice.

Finance risks

Failure to manage performance against our borrowing covenants

There are risks that borrowing covenants are breached because of circumstances such as a change in the economic climate leading to fall in the operating profit and to reduced cash inflows etc. The finance team conducts forecasting with periodic reviews and monitors its operation. In addition, regular forecasting and testing of covenant compliance is performed and frequent communication is maintained with the board of directors.

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. The short-term flexibility is achieved by undertaking rolling credit facilities and shareholders support.

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.

Regulatory risks

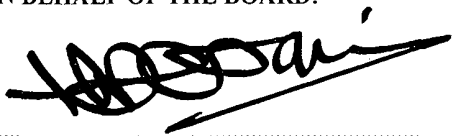
Failure to operate safely and legally

A major health and safety failure could lead to illness, injury or loss of life or significant damage to the company's or a brand's reputation. Zerodegrees maintains a robust programme of health and safety checks within its restaurants and pubs. Food suppliers are required to meet the British Retail Consortium Global Standard for Food Safety and are subject to regular safety and quality audits. Comprehensive health and safety training programmes are in place.

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Strategic Report
FOR THE YEAR ENDED 31 MARCH 2016

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'H Desai', written over a horizontal dotted line.

H Desai - Director

Date: 27.10.16

Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

D Patel
H Desai
Mrs R Desai

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.

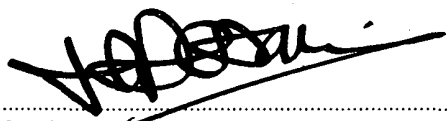
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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: 27.10.16

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 2016 on pages seven to twenty two. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 five, 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 Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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 Strategic Report and 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:

27 October 2016

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Income Statement

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
TURNOVER	2	4,158,213	3,954,314
Cost of sales		<u>2,424,219</u>	<u>2,309,203</u>
GROSS PROFIT		1,733,994	1,645,111
Administrative expenses		<u>1,575,469</u>	<u>1,486,914</u>
		158,525	158,197
Other operating income		<u>35,697</u>	<u>41,058</u>
OPERATING PROFIT	4	194,222	199,255
Interest payable and similar charges	6	<u>54,335</u>	<u>59,159</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		139,887	140,096
Tax on profit on ordinary activities	7	<u>32,328</u>	<u>50,694</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>107,559</u></u>	<u><u>89,402</u></u>

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Other Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		107,559	89,402
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>107,559</u>	<u>89,402</u>

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Balance Sheet
31 MARCH 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	<u>6,736,257</u>	<u>7,020,405</u>
		6,736,257	7,020,405
CURRENT ASSETS			
Stocks	10	37,058	43,395
Debtors	11	25,332	39,111
Cash at bank		<u>550,567</u>	<u>362,998</u>
		612,957	445,504
CREDITORS			
Amounts falling due within one year	12	<u>2,340,906</u>	<u>2,160,533</u>
NET CURRENT LIABILITIES		<u>(1,727,949)</u>	<u>(1,715,029)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,008,308	5,305,376
CREDITORS			
Amounts falling due after more than one year	13	(2,632,202)	(3,024,926)
PROVISIONS FOR LIABILITIES	16	<u>(253,813)</u>	<u>(265,716)</u>
NET ASSETS		<u>2,122,293</u>	<u>2,014,734</u>
CAPITAL AND RESERVES			
Called up share capital	17	499,980	499,980
Retained earnings	18	<u>1,622,313</u>	<u>1,514,754</u>
SHAREHOLDERS' FUNDS		<u>2,122,293</u>	<u>2,014,734</u>

The financial statements were authorised for issue by the Board of Directors on behalf by:

27.10.16

and were signed on its



H Desai - Director

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Statement of Changes in Equity
FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	499,980	1,425,352	1,925,332
Changes in equity			
Total comprehensive income	-	89,402	89,402
Balance at 31 March 2015	499,980	1,514,754	2,014,734
Changes in equity			
Total comprehensive income	-	107,559	107,559
Balance at 31 March 2016	499,980	1,622,313	2,122,293

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Cash Flow Statement
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	627,289	677,492
Interest paid		(54,335)	(59,159)
Tax paid		<u>2,510</u>	<u>(49,734)</u>
Net cash from operating activities		<u>575,464</u>	<u>568,599</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(36,875)	(538,057)
Sale of tangible fixed assets		<u>-</u>	<u>150</u>
Net cash from investing activities		<u>(36,875)</u>	<u>(537,907)</u>
 Cash flows from financing activities			
New loans in year		-	8,011
Loan repayments in year		(351,020)	<u>-</u>
Net cash from financing activities		<u>(351,020)</u>	<u>8,011</u>
 Increase in cash and cash equivalents		<u>187,569</u>	<u>38,703</u>
Cash and cash equivalents at beginning of year	2	362,998	324,295
 Cash and cash equivalents at end of year	2	<u>550,567</u>	<u>362,998</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
FOR THE YEAR ENDED 31 MARCH 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	139,887	140,096
Depreciation charges	321,022	335,166
Loss on disposal of fixed assets	-	1,581
Finance costs	<u>54,335</u>	<u>59,159</u>
	515,244	536,002
Decrease in stocks	6,337	19,589
Decrease/(increase) in trade and other debtors	11,269	(811)
Increase in trade and other creditors	<u>94,439</u>	<u>122,712</u>
Cash generated from operations	<u>627,289</u>	<u>677,492</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2016

	31/3/16	1/4/15
	£	£
Cash and cash equivalents	<u>550,567</u>	<u>362,998</u>

Year ended 31 March 2015

	31/3/15	1/4/14
	£	£
Cash and cash equivalents	<u>362,998</u>	<u>324,295</u>

The notes form part of these financial statements

Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Long leasehold	- over the lease term
Plant and machinery	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Going concern

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to trade in the foreseeable future. The basis may not be appropriate because as at 31 March 2016 the company's current liabilities exceeded its current assets. The Directors, having made appropriate enquiries, consider that adequate resources exist for the company to continue in operational existence for the foreseeable future and with the continued support of the company's shareholder, the company will be able to meet its liabilities as they fall due for payment. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2016.

Hire purchase and leasing commitments

Rental paid under hire purchase and operating lease are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2016

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2016	2015
	£	£
Food	2,226,448	2,205,020
Drinks & Beverages	<u>1,931,765</u>	<u>1,749,294</u>
	<u>4,158,213</u>	<u>3,954,314</u>

3. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	1,205,007	1,163,529
Social security costs	<u>142,760</u>	<u>133,368</u>
	<u>1,347,767</u>	<u>1,296,897</u>

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

	2016	2015
Office and management	4	4
Restaurant staff	<u>100</u>	<u>98</u>
	<u>104</u>	<u>102</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	310,541	323,520
Depreciation - assets on hire purchase contracts or finance leases	10,482	11,646
Loss on disposal of fixed assets	<u>-</u>	<u>1,581</u>

Directors' remuneration	<u>-</u>	<u>-</u>
-------------------------	----------	----------

5. AUDITORS' REMUNERATION

Fees payable to the company's auditors for the audit of the company's financial statements is £5,515 (2015 - £5,250) which includes £500 (2015 - £500) for the provision of a non - audit services.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	736	932
Bank loan interest	<u>53,599</u>	<u>58,227</u>
	<u>54,335</u>	<u>59,159</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2016

7. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	44,231	(2,510)
Deferred tax	(11,903)	53,204
Tax on profit on ordinary activities	<u>32,328</u>	<u>50,694</u>

Reconciliation of total tax charge included in profit and loss

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

	2016 £	2015 £
Profit on ordinary activities before tax	<u>139,887</u>	<u>140,096</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	27,977	28,019
Effects of:		
Expenses not deductible for tax purposes	-	316
Capital allowances in excess of depreciation	-	(40,354)
Depreciation in excess of capital allowances	37,435	-
Utilisation of tax losses	-	(8,212)
Utilisation of losses	(9,509)	-
Losses created	-	20,231
Losses carried back	-	(2,510)
Deferred taxation	(11,903)	53,204
R&D enhanced relief	<u>(11,672)</u>	<u>-</u>
Total tax charge	<u>32,328</u>	<u>50,694</u>

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 April 2015	
and 31 March 2016	<u>3,208</u>
AMORTISATION	
At 1 April 2015	
and 31 March 2016	<u>3,208</u>
NET BOOK VALUE	
At 31 March 2016	<u>-</u>
At 31 March 2015	<u>-</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2016

9. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £
COST			
At 1 April 2015	2,632,914	3,628,139	3,649,020
Additions	-	-	20,822
At 31 March 2016	<u>2,632,914</u>	<u>3,628,139</u>	<u>3,669,842</u>
DEPRECIATION			
At 1 April 2015	523,614	607,217	1,767,851
Charge for year	<u>34,720</u>	<u>87,395</u>	<u>190,199</u>
At 31 March 2016	<u>558,334</u>	<u>694,612</u>	<u>1,958,050</u>
NET BOOK VALUE			
At 31 March 2016	<u>2,074,580</u>	<u>2,933,527</u>	<u>1,711,792</u>
At 31 March 2015	<u>2,109,300</u>	<u>3,020,922</u>	<u>1,881,169</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2015	9,500	8,322	9,927,895
Additions	<u>3,395</u>	<u>12,658</u>	<u>36,875</u>
At 31 March 2016	<u>12,895</u>	<u>20,980</u>	<u>9,964,770</u>
DEPRECIATION			
At 1 April 2015	6,034	2,774	2,907,490
Charge for year	<u>1,716</u>	<u>6,993</u>	<u>321,023</u>
At 31 March 2016	<u>7,750</u>	<u>9,767</u>	<u>3,228,513</u>
NET BOOK VALUE			
At 31 March 2016	<u>5,145</u>	<u>11,213</u>	<u>6,736,257</u>
At 31 March 2015	<u>3,466</u>	<u>5,548</u>	<u>7,020,405</u>

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)**Notes to the Financial Statements - continued**
FOR THE YEAR ENDED 31 MARCH 2016**9. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

		Plant and machinery £
COST		
At 1 April 2015		
and 31 March 2016		<u>129,407</u>
DEPRECIATION		
At 1 April 2015		24,587
Charge for year		<u>10,482</u>
At 31 March 2016		<u>35,069</u>
NET BOOK VALUE		
At 31 March 2016		<u>94,338</u>
At 31 March 2015		<u>104,820</u>
10. STOCKS		
	2016	2015
	£	£
Goods for resale	<u>37,058</u>	<u>43,395</u>
11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2016	2015
	£	£
Tax	-	2,510
Prepayments and accrued income	<u>25,332</u>	<u>36,601</u>
	<u>25,332</u>	<u>39,111</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2016	2015
	£	£
Bank loans and overdrafts (see note 14)	336,982	302,774
Trade creditors	307,879	308,870
Tax	44,231	-
Social security and other taxes	139,872	134,230
Other creditors	1,451,175	1,332,050
Accrued expenses	<u>60,767</u>	<u>82,609</u>
	<u>2,340,906</u>	<u>2,160,533</u>
13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2016	2015
	£	£
Bank loans (see note 14)	1,561,512	1,946,741
Directors Loan account	<u>1,070,690</u>	<u>1,078,185</u>
	<u>2,632,202</u>	<u>3,024,926</u>

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2016

14. LOANS

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

The company has successfully managed to observe the performance covenants for 2015 under the existing loan facilities with the Bank of Scotland.

Mr D Patel, director of the company has a personal guarantee for the company's obligation to the Bank of Scotland for £250,000.

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

15. LEASING AGREEMENTS

	Land and buildings		Other operating leases	
	2016	2015	2016	2015
	£	£	£	£
Expiring:				
Between one and five years	-	-	94,664	66,345
In more than five years	<u>197,500</u>	<u>197,500</u>	<u>-</u>	<u>-</u>
	<u>197,500</u>	<u>197,500</u>	<u>94,664</u>	<u>66,345</u>

Amounts due under H.P agreement are secured on plant and machinery acquired using H.P/lease finance.

16. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>253,813</u>	<u>265,716</u>
		Deferred tax
		£
Balance at 1 April 2015		265,716
Released during year		<u>(11,903)</u>
Balance at 31 March 2016		<u>253,813</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
499,980	Ordinary	1	<u>499,980</u>	<u>499,980</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2016

18. RESERVES

	Retained earnings £
At 1 April 2015	1,514,754
Profit for the year	<u>107,559</u>
At 31 March 2016	<u><u>1,622,313</u></u>

19. OTHER FINANCIAL COMMITMENTS

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

20. RELATED PARTY DISCLOSURES

As at the year end the company owed £1,133,009 (2015 - £1,013,885) to its related company 'Baystate Company Limited' which is under the common directorship.

As at the year end the company owed £674,058 (2015 - £679,901) to Mr H Desai, director of the company.

As at the year end the company owed £72,169 (2015 - £72,202) to Mrs R Desai, director of the company.

As at the year end the company owed £324,462 (2015 - £326,081) to Mr D Patel, director of the company.

21. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party in the company.

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)

Reconciliation of Equity
1 APRIL 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	9	<u>6,819,245</u>	-	<u>6,819,245</u>
CURRENT ASSETS				
Stocks	10	62,984	-	62,984
Debtors	11	35,790	-	35,790
Cash at bank		<u>324,295</u>	-	<u>324,295</u>
		<u>423,069</u>	-	<u>423,069</u>
CREDITORS				
Amounts falling due within one year		<u>(2,112,085)</u>	-	<u>(2,112,085)</u>
NET CURRENT LIABILITIES		<u>(1,689,016)</u>	-	<u>(1,689,016)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,130,229	-	5,130,229
CREDITORS				
Amounts falling due after more than one year		<u>(2,992,385)</u>	-	<u>(2,992,385)</u>
PROVISIONS FOR LIABILITIES		<u>(212,512)</u>	-	<u>(212,512)</u>
NET ASSETS		<u>1,925,332</u>	-	<u>1,925,332</u>
CAPITAL AND RESERVES				
Called up share capital	17	499,980	-	499,980
Retained earnings		<u>1,425,352</u>	-	<u>1,425,352</u>
SHAREHOLDERS' FUNDS		<u>1,925,332</u>	-	<u>1,925,332</u>

The notes form part of these financial statements

FORTHGLEN INVESTMENTS LIMITED (REGISTERED NUMBER: 03324596)**Reconciliation of Equity - continued**
31 MARCH 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	9	<u>7,020,405</u>	-	<u>7,020,405</u>
CURRENT ASSETS				
Stocks	10	43,395	-	43,395
Debtors	11	60,302	(21,191)	39,111
Cash at bank		<u>362,998</u>	-	<u>362,998</u>
		<u>466,695</u>	<u>(21,191)</u>	<u>445,504</u>
CRÉDITORS				
Amounts falling due within one year		<u>(2,181,724)</u>	<u>21,191</u>	<u>(2,160,533)</u>
NET CURRENT LIABILITIES		<u>(1,715,029)</u>	-	<u>(1,715,029)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,305,376	-	5,305,376
CREDITORS				
Amounts falling due after more than one year		<u>(3,024,926)</u>	-	<u>(3,024,926)</u>
PROVISIONS FOR LIABILITIES		<u>(265,716)</u>	-	<u>(265,716)</u>
NET ASSETS		<u><u>2,014,734</u></u>	-	<u><u>2,014,734</u></u>
CAPITAL AND RESERVES				
Called up share capital	17	499,980	-	499,980
Retained earnings		<u>1,514,754</u>	-	<u>1,514,754</u>
SHAREHOLDERS' FUNDS		<u><u>2,014,734</u></u>	-	<u><u>2,014,734</u></u>

The notes form part of these financial statements

Reconciliation of Profit
FOR THE YEAR ENDED 31 MARCH 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	3,954,314	-	3,954,314
Cost of sales	<u>(2,309,203)</u>	<u>-</u>	<u>(2,309,203)</u>
GROSS PROFIT	1,645,111	-	1,645,111
Administrative expenses	(1,486,914)	-	(1,486,914)
Other operating income	<u>41,058</u>	<u>-</u>	<u>41,058</u>
OPERATING PROFIT	199,255	-	199,255
Interest payable and similar charges	<u>(59,159)</u>	<u>-</u>	<u>(59,159)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	140,096	-	140,096
Tax on profit on ordinary activities	<u>(50,694)</u>	<u>-</u>	<u>(50,694)</u>
PROFIT FOR THE FINANCIAL YEAR	<u><u>89,402</u></u>	<u><u>-</u></u>	<u><u>89,402</u></u>

The notes form part of these financial statements