

Registration number 03470157

Astrad Limited
Abbreviated accounts
for the year ended 31 March 2013



Astrad Limited

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Astrad Limited

Director's report for the year ended 31 March 2013

The director presents his report and the accounts for the year ended 31 March 2013

Principal activity and review of the business

The principal activity of the company during the year under review was operator of a group of fast food restaurants

Business review

The results for the year and financial position are as shown in the annexed financial statements. As operators of a chain of eleven limited menu quick service restaurants, we consider our key financial performance indicators are turnover and gross profit. The period ended 31 March 2013 has returned satisfactory results with an increase in turnover of just under 6.55% pro-rata with the gross profit percentage remaining consistent with previous years. As for many businesses we believe the trading environment that we operate in to be challenging. However the company remains optimistic and continued the restaurant refurbishment programme during the period.

Results and dividends

The results for the year are set out on page 4.

The director has paid an interim dividend amounting to £200,000 and he does not recommend payment of a final dividend.

Financial risk management objectives and policies

The company's principal financial instruments comprise cash and bank loans. The main purpose of these financial instruments is to raise finance for the company's operations. The company does not enter into derivative transactions. 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 interest rate risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The company's exposure to market risk for changes in interest rates is limited to bank loans. The additional requirement for medium to long term debt finance will be reviewed by the directors based on the company's forecast requirements.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and bank loans.

Employment policy

The director endeavours to ensure that as far as possible the training, career development and promotion of disabled persons is the same as for other employees. Should employees become disabled, every effort is made to ensure that their employment continues and appropriate retraining is received. Regular meetings with employees' representatives are held to inform them of the development of the business.

Director

The director who served during the year is as stated below.

A R Sirkhot

Astrad Limited

**Director's report
for the year ended 31 March 2013**

continued

Statement of director's responsibilities

The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 year. In preparing these financial statements, the director is required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

In so far as the director is aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Manex Accountants Ltd are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 19 December 2013 and signed on its behalf by



**A R Sirkhot
Director**

**Independent auditors' report to Astrad Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 4 to 15 together with the financial statements of Astrad Limited for the year ended 31 March 2013 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and the auditors

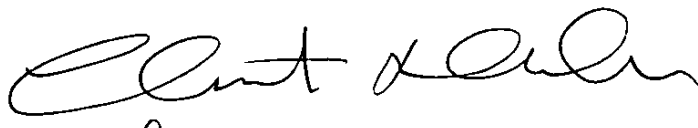
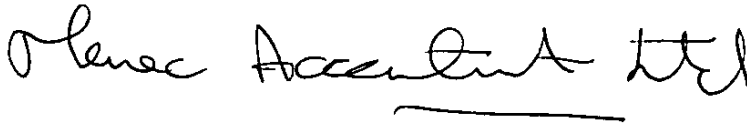
The director is responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision.

**C Meehan (senior statutory auditor)
For and on behalf of Manex Accountants Ltd
Chartered Accountants and
Registered Auditors**

17 December 2013

**9 Castle Court (2)
Castlegate Way
Dudley
West Midlands
DY1 4RD**

Astrad Limited

**Abbreviated profit and loss account
for the year ended 31 March 2013**

		Continuing operations	
		2013	2012
	Notes	£	£
Turnover		23,928,748	22,458,002
Gross profit		10,654,639	9,849,469
Administrative expenses		(10,001,813)	(9,331,659)
Operating profit	2	652,826	517,810
Interest payable and similar charges	4	(74,976)	(93,704)
Profit on ordinary activities before taxation		577,850	424,106
Tax on profit on ordinary activities	6	(159,857)	(127,310)
Profit for the year		417,993	296,796
Retained profit brought forward		167,291	120,495
Reserve movements		(200,000)	(250,000)
Retained profit carried forward		385,284	167,291

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 7 to 15 form an integral part of these financial statements.

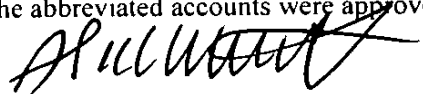
Astrad Limited

**Abbreviated balance sheet
as at 31 March 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		543,405		630,398
Tangible assets	8		2,242,207		2,581,209
Investments	9		13,750		13,750
			<u>2,799,362</u>		<u>3,225,357</u>
Current assets					
Stocks	10	128,462		112,683	
Debtors	11				
falling due within one year		1,606,455		1,601,617	
Cash at bank and in hand		961,178		576,675	
		<u>2,696,095</u>		<u>2,290,975</u>	
Creditors amounts falling due within one year	12	(3,374,832)		(2,924,929)	
Net current liabilities			<u>(678,737)</u>		<u>(633,954)</u>
Total assets less current liabilities			2,120,625		2,591,403
Creditors: amounts falling due after more than one year	13		(1,077,277)		(1,735,242)
Provisions for liabilities	14		<u>(145,564)</u>		<u>(176,370)</u>
Net assets			<u>897,784</u>		<u>679,791</u>
Capital and reserves					
Called up share capital	16		512,500		512,500
Profit and loss account			385,284		167,291
Shareholders' funds	17		<u>897,784</u>		<u>679,791</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies

The abbreviated accounts were approved by the Board on 19 December 2013 and signed on its behalf by



A R Sirkhot
Director

Registration number 03470157

The notes on pages 7 to 15 form an integral part of these financial statements.

Astrad Limited

**Cash flow statement
for the year ended 31 March 2013**

	Notes	2013 £	2012 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		652,826	517,810
Depreciation		681,880	673,528
(Increase) in stocks		(15,779)	24,565
(Increase) in debtors		(4,838)	78,314
Increase in creditors		382,002	(86,240)
Net cash inflow from operating activities		<u>1,696,091</u>	<u>1,207,977</u>
Cash flow statement			
Net cash inflow from operating activities		1,696,091	1,207,977
Returns on investments and servicing of finance	21	(74,976)	(93,704)
Taxation	21	(137,561)	(179,787)
Capital expenditure	21	(255,884)	(474,314)
		<u>1,227,670</u>	<u>460,172</u>
Equity dividends paid		(200,000)	(250,000)
		<u>1,027,670</u>	<u>210,172</u>
Financing	21	(643,167)	(632,836)
Increase in cash in the year		<u>384,503</u>	<u>(422,664)</u>
Reconciliation of net cash flow to movement in net funds (Note 22)			
Increase in cash in the year		384,503	(422,664)
Cash inflow from increase in debts and lease financing		643,167	632,836
		<u>1,027,670</u>	<u>210,172</u>
Change in net funds resulting from cash flows		(1,802,260)	(2,012,432)
Net debt at 1 April 2012		<u>(1,802,260)</u>	<u>(2,012,432)</u>
Net debt at 31 March 2013		<u>(774,590)</u>	<u>(1,802,260)</u>

Astrad Limited

Notes to the abbreviated financial statements for the year ended 31 March 2013

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years

1.4. Licence fees

Licence fees are valued at cost less accumulated amortisation

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life of 20 years

1.5. Stamp duty

Amortisation is calculated to write off the cost in equal annual instalments over the shorter of the unexpired lease and 20 years

1.6. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and equipment	-	between 5 and 10 years straight line
Office equipment	-	33% per annum on cost

1.7. Leasing

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

1.8. Investments

Fixed asset investments are stated at cost

1.9. Stock

Stock is valued at the lower of cost and net realisable value

1.10. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

1.11 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

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	2013	2012
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	86,994	86,994
Depreciation and other amounts written off tangible assets	594,886	585,427
Loss on disposal of tangible fixed assets	-	1,107
Operating lease rentals		
- Land and buildings	3,151,717	2,849,626
Auditors' remuneration (Note 3)	<u>3,450</u>	<u>3,450</u>
3. Auditors' remuneration	2013	2012
	£	£
Auditors' remuneration - audit of the financial statements	<u>3,450</u>	<u>3,450</u>
4. Interest payable and similar charges	2013	2012
	£	£
Interest payable on loans	74,657	93,452
On overdue tax	319	252
	<u>74,976</u>	<u>93,704</u>

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

5. Employees

Number of employees	2013	2012
The average monthly numbers of employees (including the director) during the year were		
Hourly paid	803	802
Salaried	41	41
	<u>844</u>	<u>843</u>
Employment costs	2013	2012
	£	£
Wages and salaries	6,432,351	6,119,174
Social security costs	291,035	293,474
Pension costs-other operating charge	31,674	19,627
	<u>6,755,060</u>	<u>6,432,275</u>

5 1. Director's remuneration

	2013	2012
	£	£
Remuneration and other emoluments	12,537	14,305
Pension contributions	3,600	3,600
	<u>16,137</u>	<u>17,905</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

6. Tax on profit on ordinary activities

Analysis of charge in period	2013 £	2012 £
Current tax		
UK corporation tax at 24.00% (2012 - 26.00%)	190,663	137,561
Total current tax charge	<u>190,663</u>	<u>137,561</u>
Deferred tax		
Timing differences, origination and reversal	(30,806)	(10,251)
Total deferred tax	<u>(30,806)</u>	<u>(10,251)</u>
Tax on profit on ordinary activities	<u>159,857</u>	<u>127,310</u>

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (24.00 per cent). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>577,850</u>	<u>424,106</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.00% (31 March 2012 - 26.00%)	138,684	110,268
Effects of:		
Expenses not deductible for tax purposes	20,055	21,291
Capital allowances for period in excess of depreciation	62,267	45,305
Marginal rate relief	(6,773)	(13,769)
Deferred revenue	<u>(23,570)</u>	<u>(25,534)</u>
Current tax charge for period	<u>190,663</u>	<u>137,561</u>

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

7. Intangible fixed assets	Licence fees £	Stamp duty £	Goodwill £	Total £
Cost				
At 1 April 2012	300,000	30,296	1,409,580	1,739,876
At 31 March 2013	<u>300,000</u>	<u>30,296</u>	<u>1,409,580</u>	<u>1,739,876</u>
Amortisation				
At 1 April 2012	140,795	6,185	962,498	1,109,478
Charge for year	15,000	1,514	70,479	86,993
At 31 March 2013	<u>155,795</u>	<u>7,699</u>	<u>1,032,977</u>	<u>1,196,471</u>
Net book values				
At 31 March 2013	<u>144,205</u>	<u>22,597</u>	<u>376,603</u>	<u>543,405</u>
At 31 March 2012	<u>159,205</u>	<u>24,111</u>	<u>447,082</u>	<u>630,398</u>

Goodwill is being amortised over twenty years. In the opinion of the director, this represents a prudent estimate of the period over which the company will derive direct economic benefit from the products acquired as part of that business.

8. Tangible fixed assets	Plant and equipment £	Office equipment £	Total £
Cost			
At 1 April 2012	6,091,316	19,761	6,111,077
Additions	253,262	2,622	255,884
At 31 March 2013	<u>6,344,578</u>	<u>22,383</u>	<u>6,366,961</u>
Depreciation			
At 1 April 2012	3,512,298	17,570	3,529,868
Charge for the year	593,114	1,772	594,886
At 31 March 2013	<u>4,105,412</u>	<u>19,342</u>	<u>4,124,754</u>
Net book values			
At 31 March 2013	<u>2,239,166</u>	<u>3,041</u>	<u>2,242,207</u>
At 31 March 2012	<u>2,579,018</u>	<u>2,191</u>	<u>2,581,209</u>

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

9. Fixed asset investments	Other unlisted investments £	Total £
Cost		
At 1 April 2012		
At 31 March 2013	13,750	13,750
Net book values		
At 31 March 2013	13,750	13,750
At 31 March 2012	13,750	13,750
10. Stocks	2013 £	2012 £
Finished goods and goods for resale	128,462	112,683
11. Debtors	2013 £	2012 £
Trade debtors	2,766	1,479
Amounts owed by group undertakings	852,612	890,903
Other debtors	18,700	18,500
Prepayments	732,377	690,735
	1,606,455	1,601,617
12. Creditors' amounts falling due within one year	2013 £	2012 £
Bank loan	658,491	643,693
Trade creditors	1,154,439	979,106
Corporation tax	190,663	137,561
Other taxes and social security costs	395,168	390,045
Other creditors	190,880	2,264
Accruals	785,191	772,260
	3,374,832	2,924,929

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

13. Creditors: amounts falling due after more than one year	2013 £	2012 £
Bank loan	<u>1,077,277</u>	<u>1,735,242</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	658,491	643,693
Repayable between one and two years	517,549	649,192
Repayable between two and five years	<u>559,728</u>	<u>1,086,050</u>
	<u>1,735,768</u>	<u>2,378,935</u>
14. Provisions for liabilities		
	Deferred taxation (Note 15) £	Total £
At 1 April 2012	176,370	176,370
Movements in the year	<u>(30,806)</u>	<u>(30,806)</u>
At 31 March 2013	<u>145,564</u>	<u>145,564</u>
15. Provision for deferred taxation	2013 £	2012 £
Accelerated capital allowances	<u>145,564</u>	<u>176,370</u>
Provision for deferred tax	<u>145,564</u>	<u>176,370</u>
Provision at 1 April 2012	176,370	
Deferred tax credit in profit and loss account	<u>(30,806)</u>	
Provision at 31 March 2013	<u>145,564</u>	

Deferred taxation is based on a corporation tax rate of 23% (2012 23%)

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

16. Share capital	2013 £	2012 £
Authorised		
512,500 Ordinary shares of 1 each	<u>512,500</u>	<u>512,500</u>
Allotted, called up and fully paid		
512,500 Ordinary shares of 1 each	<u>512,500</u>	<u>512,500</u>
 Equity Shares		
512,500 Ordinary shares of 1 each	<u>512,500</u>	<u>512,500</u>
 17. Reconciliation of movements in shareholders' funds	 2013 £	 2012 £
Profit for the year	417,993	296,796
Dividends	(200,000)	(250,000)
	<u>217,993</u>	<u>46,796</u>
Opening shareholders' funds	679,791	632,995
Closing shareholders' funds	<u>897,784</u>	<u>679,791</u>

18. Financial commitments

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2013	2012
	£	£
Expiry date:		
In over five years	<u>1,344,048</u>	<u>1,344,048</u>

19. Related party transactions

Mr A R Sirkhot, a director of Astrad Ltd is also a director of Penn Enterprises Ltd. During the period Astrad Ltd paid dividends totalling £200,000 (2012 -£250,000) to Penn Enterprises Ltd. At the balance sheet date the amount due to Astrad Ltd from Penn Enterprises Ltd was £852,612 (2012 -£890,903). Mr A Sirkhot is also a director of SS & B Marketing Ltd. At the balance sheet date there is a balance of £18,500 (2012 - £18,500) due from SS & B Marketing Ltd included in other debtors.

Astrad Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2013**

continued

20. Ultimate parent undertaking

The ultimate parent company is Penn Enterprises Limited, a company registered in the UK

21. Gross cash flows

	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest paid	<u>(74,976)</u>	<u>(93,704)</u>
Taxation		
Corporation tax paid	<u>(137,561)</u>	<u>(179,787)</u>
Capital expenditure		
Payments to acquire tangible assets	(255,884)	(474,714)
Receipts from sales of tangible assets	<u>-</u>	<u>400</u>
	<u>(255,884)</u>	<u>(474,314)</u>
Financing		
Repayment of long term bank loan	<u>(643,167)</u>	<u>(632,836)</u>

22. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	576,675	384,503		961,178
Debt due within one year	(643,693)	643,167	(657,965)	(658,491)
Debt due after one year	(1,735,242)	-	657,965	(1,077,277)
	<u>(2,378,935)</u>	<u>643,167</u>	<u>-</u>	<u>(1,735,768)</u>
Net funds	<u>(1,802,260)</u>	<u>1,027,670</u>	<u>-</u>	<u>(774,590)</u>