
A & A PIZZA COMPANY LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2015**

FRIDAY



L55X4F1N

LD9

29/04/2016

#62

COMPANIES HOUSE

A & A PIZZA COMPANY LIMITED

COMPANY INFORMATION

DIRECTOR	A Zarinabad
COMPANY SECRETARY	H Purushothaman
REGISTERED NUMBER	04568161
REGISTERED OFFICE	190 Billet Road London E17 5DX
INDEPENDENT AUDITORS	Haslers Chartered Accountants & Statutory Auditor Old Station Road Loughton Essex IG10 4PL

A & A PIZZA COMPANY LIMITED

CONTENTS

	Page
Strategic report	1
Director's report	2 - 3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the abbreviated accounts	7 - 16

A & A PIZZA COMPANY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2015

INTRODUCTION

The principal activity of the company continued to be that of the operation of takeaway pizza stores under the Domino's brand.

BUSINESS REVIEW

The company operates Domino's pizza stores in the London area. The year under review has seen turnover increase by 10% over the previous year. In addition the Board continue to monitor and closely control all cost areas. Both this and the increase in turnover have resulted in a pleasing improvement to net profit.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to the business are firstly the economic climate and therefore consumer confidence, and secondly the threat of competitors entering the areas where the stores operate.

The quality of the products sold, prompt delivery and overall customer service are the key areas to the business and the directors and senior management continually monitor and assess these to ensure that the overall customer experience is maintained at a high level.

FINANCIAL KEY PERFORMANCE INDICATORS

Turnover is the key indicator and constant monitoring enables the directors to make critical business decisions quickly. Gross margin and employee costs as a ratio to sales are two other key indicators and these are within the directors expected parameters. The gross margin in 2015 was 62.2% which compares favourably to 60.7% in 2014.

This report was approved by the board on 26 April 2016 and signed on its behalf.

**A Zarinabad
Director**



A & A PIZZA COMPANY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JULY 2015

The director presents his report and the audited financial statements for the year ended 31 July 2015.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Strategic report, the Director's 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 period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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.

PRINCIPAL ACTIVITY

The company's principal activity during the year continued to be that of a Domino's Pizza franchise.

The company discontinued some of its operations post year end.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £680,487 (2014 - £476,927).

The directors do not propose the payment of a dividend (2014 : £nil).

DIRECTORS

The directors who served during the year were:

A Zarinabad
A Mirza (resigned 6 October 2015)

FINANCIAL INSTRUMENTS

Treasury operations and financial instruments

The company's principal financial instruments include bank accounts, the main purpose of which is to raise finance for the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

A & A PIZZA COMPANY LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2015**

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Interest rate risk

The company has both interest bearing assets and liabilities. Interest bearing assets include only cash balances that earn interest at a fixed monthly rate.

DISCLOSURE OF INFORMATION TO AUDITORS

The director at the time when this Director's report is approved has confirmed that:

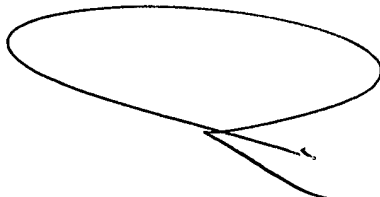
- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Haslers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 April 2016 and signed on its behalf.

A Zarinabad
Director



A & A PIZZA COMPANY LIMITED

**INDEPENDENT AUDITORS' REPORT TO A & A PIZZA COMPANY LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 5 to 16, together with the financial statements of A & A Pizza Company Limited for the year ended 31 July 2015 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 Auditors' 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 work, for this report, or for the opinions we have formed.

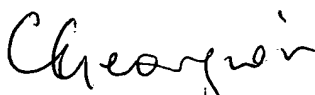
RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

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.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

OPINION ON FINANCIAL STATEMENTS

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 on pages 5 to 16 have been properly prepared in accordance with the regulations made under that section.



Christina Georgiou (Senior statutory auditor)

for and on behalf of

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL

26 April 2016

A & A PIZZA COMPANY LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2015**

	Note	2015 £	2014 £
TURNOVER	1	8,483,660	7,681,328
GROSS PROFIT		5,298,874	4,678,858
Administrative expenses	2	(4,370,160)	(3,989,325)
OPERATING PROFIT	3		
Continuing operations		528,004	392,064
Discontinued operations		400,710	297,469
		928,714	689,533
Income from other fixed asset investments		16,296	-
Interest receivable and similar income		402	25
Interest payable and similar charges	5	(59,773)	(84,264)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		885,639	605,294
Tax on profit on ordinary activities	6	(205,152)	(128,367)
PROFIT FOR THE FINANCIAL YEAR	16	680,487	476,927

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 7 to 16 form part of these financial statements.

A & A PIZZA COMPANY LIMITED
04568161

ABBREVIATED BALANCE SHEET
AS AT 31 JULY 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Intangible assets	7		3,750		6,750
Tangible assets	8		986,628		1,049,477
Investments	9		3,261,700		3,261,700
			<u>4,252,078</u>		<u>4,317,927</u>
CURRENT ASSETS					
Stocks	10	49,718		47,249	
Debtors	11	313,559		382,251	
Cash at bank and in hand		967,109		437,123	
		<u>1,330,386</u>		<u>866,623</u>	
CREDITORS: amounts falling due within one year	12	(3,496,908)		(1,718,156)	
NET CURRENT LIABILITIES			<u>(2,166,522)</u>		<u>(851,533)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,085,556</u>		<u>3,466,394</u>
CREDITORS: amounts falling due after more than one year	13		(3,658)		(2,079,375)
PROVISIONS FOR LIABILITIES					
Deferred tax	14		(77,771)		(63,379)
NET ASSETS			<u>2,004,127</u>		<u>1,323,640</u>
CAPITAL AND RESERVES					
Called up share capital	15		2		2
Profit and loss account	16		2,004,125		1,323,638
SHAREHOLDERS' FUNDS	17		<u>2,004,127</u>		<u>1,323,640</u>

The abbreviated accounts, which have been prepared in accordance with the provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 26 April 2016.

A Zarinabad
Director

The notes on pages 7 to 16 form part of these financial statements.

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Revenue is recognised on day of purchase from the takeaway outlet.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Trademarks represents the amounts paid for franchise fees on the opening of a new shop. It is amortised over the shorter of the franchise period or five years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	over 50 years
Short-term leasehold property	-	over the lease term
Plant and machinery	-	15% on written down value
Motor vehicles	-	25% on written down value

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

1. ACCOUNTING POLICIES (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

2. ANALYSIS OF OPERATING PROFIT

	Continuing £	2015 Discontinued £	Continuing £	2014 Discontinued £
Turnover	4,735,199	3,748,461	4,287,373	3,393,955
Gross profit	2,965,832	2,333,042	2,618,727	2,060,131
Administrative expenses	(2,437,828)	(1,932,332)	(2,226,663)	(1,762,662)
	528,004	400,710	392,064	297,469

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Amortisation - intangible fixed assets	3,000	3,000
Depreciation of tangible fixed assets:		
- owned by the company	167,358	191,056
- held under finance leases	4,949	-
Auditors' remuneration	8,500	10,000
Operating lease rentals:		
- other operating leases	260,474	273,544

During the year, no director received any emoluments (2014 - £NIL).

A & A PIZZA COMPANY LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2015**

4. STAFF COSTS

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,539,127	2,309,609
Social security costs	158,761	138,593
Other pension costs	11,965	3,406
	<u>2,709,853</u>	<u>2,451,608</u>

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

	2015 No.	2014 No.
Administration	7	7
Marketing	1	1
Sales	190	190
	<u>198</u>	<u>198</u>

5. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	59,049	80,963
On other loans	724	3,301
	<u>59,773</u>	<u>84,264</u>

6. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	179,241	133,500
Adjustments in respect of prior periods	11,519	-
Total current tax	<u>190,760</u>	<u>133,500</u>
Deferred tax (see note 14)		
Origination and reversal of timing differences	14,392	(5,133)
Tax on profit on ordinary activities	<u>205,152</u>	<u>128,367</u>

A & A PIZZA COMPANY LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2015**

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2014 - *higher than*) the standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	885,639	605,294
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%)	183,062	135,162
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,783	10,013
Depreciation for the year in excess of capital allowances	(5,236)	10,764
Adjustments to tax charge in respect of prior periods	11,519	-
Dividends from UK companies	(3,368)	-
Group relief	-	(22,439)
Current tax charge for the year (see note above)	190,760	133,500

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. INTANGIBLE FIXED ASSETS

	Trademarks £	Goodwill £	Total £
Cost			
At 1 August 2014 and 31 July 2015	135,000	109,110	244,110
Amortisation			
At 1 August 2014	128,250	109,110	237,360
Charge for the year	3,000	-	3,000
At 31 July 2015	131,250	109,110	240,360
Net book value			
At 31 July 2015	3,750	-	3,750
At 31 July 2014	6,750	-	6,750

A & A PIZZA COMPANY LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2015**

8. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 August 2014	149,573	238,531	1,884,285	223,898	2,496,287
Additions	-	-	54,448	67,299	121,747
Disposals	-	-	-	(146,457)	(146,457)
At 31 July 2015	149,573	238,531	1,938,733	144,740	2,471,577
Depreciation					
At 1 August 2014	23,932	119,553	1,125,323	178,002	1,446,810
Charge for the year	2,992	17,891	122,085	29,339	172,307
On disposals	-	-	-	(134,168)	(134,168)
At 31 July 2015	26,924	137,444	1,247,408	73,173	1,484,949
Net book value					
At 31 July 2015	122,649	101,087	691,325	71,567	986,628
At 31 July 2014	125,641	118,978	758,962	45,896	1,049,477

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Motor vehicles	14,846	-

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2014 and 31 July 2015	3,261,700
Net book value	
At 31 July 2015	3,261,700
At 31 July 2014	3,261,700

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

9. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
A & B Investments (London) limited	Ordinary	100 %
A & H Pizza Company Limited	Ordinary	100 %
TAG (London) Limited	Ordinary	100 %
A & A Tagliamonti Co Limited	Ordinary	100 %
KPMBilagi Limited	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 July 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
A & B Investments (London) limited	244,431	143,851
A & H Pizza Company Limited	359,779	151,675
TAG (London) Limited	520,052	176,978
A & A Tagliamonti Co Limited	100	-
KPMBilagi Limited	9,934	-
	<u>244,431</u>	<u>143,851</u>

10. STOCKS

	2015 £	2014 £
Finished goods for resale	49,718	47,249
	<u>49,718</u>	<u>47,249</u>

11. DEBTORS

	2015 £	2014 £
Amounts owed by group undertakings	-	106,535
Other debtors	120,736	95,857
Prepayments and accrued income	173,246	160,282
Tax recoverable	19,577	19,577
	<u>313,559</u>	<u>382,251</u>

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

12. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	1,383,158	-
Other loans	5,072	28,114
Net obligations under finance leases and hire purchase contracts	11,310	-
Trade creditors	266,985	119,294
Amounts owed to group undertakings	1,230,626	941,702
Corporation tax	79,241	133,500
Other taxation and social security	335,865	291,969
Other creditors	25,620	91,605
Accruals and deferred income	159,031	111,972
	<u>3,496,908</u>	<u>1,718,156</u>

The bank loan from HSBC Plc, is secured by a legal charge over the company's assets. The bank overdrafts and loans are secured by a fixed and floating charge over the assets of the company and a fixed charge over the leasehold property.

13. CREDITORS:

Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	-	2,074,303
Other loans	-	5,072
Net obligations under finance leases and hire purchase contracts	3,658	-
	<u>3,658</u>	<u>2,079,375</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	<u>3,658</u>	<u>-</u>

The bank loan from HSBC Plc, is secured by a legal charge over the company's assets. The bank overdrafts and loans are secured by a fixed and floating charge over the assets of the company and a fixed charge over the leasehold property.

The bank loans carry interest at a rate of base rate plus 3.25% per annum.

The aggregate amount of creditors for which security has been given is £1,398,126 (2014: £2,074,303).

A guarantee has been given by Mr A Mirza and Mr A Zarinabad to secure all liabilities of A & A Pizza Company Limited to a maximum of £1,451,000.

A & A PIZZA COMPANY LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2015**

14. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	63,379	68,512
Charge for/(released during) year (P&L)	14,392	(5,133)
At end of year	<u>77,771</u>	<u>63,379</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>77,771</u>	<u>63,379</u>

15. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

16. RESERVES

	Profit and loss account £
At 1 August 2014	1,323,638
Profit for the financial year	680,487
At 31 July 2015	<u>2,004,125</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,323,640	846,713
Profit for the financial year	680,487	476,927
Closing shareholders' funds	<u>2,004,127</u>	<u>1,323,640</u>

A & A PIZZA COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2015

18. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £11,965 (2014 - £3,406).

19. OPERATING LEASE COMMITMENTS

At 31 July 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
After more than 5 years	252,000	262,500

20. DIRECTOR'S BENEFITS: ADVANCES, CREDIT AND GUARANTEES

The company has advanced a loan to one of the directors, A Mirza. The maximum amount outstanding during the year was £78,308 and at the year end £78,308 was due from A Mirza. The loan was repaid on 6 October 2015.

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is City of London Express Limited which is incorporated in England and Wales. Zam Holdings (UK) Limited, a company incorporated in England and Wales, was the ultimate parent company at the balance sheet date. After the year end, Pizza London Limited acquired Zam Holdings (UK) Limited and became the new ultimate parent company. Pizza London Limited is a company incorporated in England and Wales.