

DP Peterborough Limited

Report and Financial Statements

For the period from 23 March 2005 to the 31 March 2006

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COMPANIES HOUSE

DP Peterborough Limited

Registered No: 05401511

Directors

S G Hemsley
L D Ginsberg
S Ray

Secretary

L D Ginsberg

Auditors

Ernst & Young LLP
400 Capability Green
Luton
Beds
LU1 3LU

Bankers

National Westminster Bank Plc
501 Silbury Boulevard
Saxon Gate East
Milton Keynes
Bucks
MK9 3ER

Registered office

Domino's House
Lasborough Road
Milton Keynes
MK10 0AB

Directors' report

The directors present their report and financial statements for the period from the date of incorporation, 23 March 2005 to 31 March 2006.

Results and dividends

The loss for the year, after taxation, amounted to £6,187. The directors do not recommend the payment of any dividends.

Principal activities and review of the business

The principal activity of the company during the period was the operation of Domino's Pizza delivery stores.

At the end of the financial period the company operated 3 stores located in the East of England.

The company was incorporated on 23 March 2005 and started trading on 26 August 2005, following the transfer of store operations from American Pizza Company Limited, which is a 100% owned by Domino's Pizza UK & IRL plc.

The interest charge in the profit and loss account relates to the long-term loan from Domino's Pizza Group Limited, for the purpose of acquiring the leasehold assets and equipment of the 3 stores that the company operates.

Both the level of business and the period end financial position were satisfactory but the company is looking forward to a promising period of growth in the next financial period.

Directors and their interests

The directors as at 31 March 2006 and since the period end were as follows:-

S G Hemsley (appointed 23 March 2005)

L D Ginsberg (appointed 23 March 2005)

S Ray (appointed 23 March 2005)

With the exception of S Ray none of the directors had a direct interest in the issued shared capital of the company.

S Ray owns 30,000 allotted called up and fully paid Ordinary B shares of £1 each in the Company as at the 31 March 2006 (nil at his date of appointment).

S Hemsley and L Ginsberg are also directors of Domino's Pizza UK & IRL plc, the ultimate parent company and details of their interests therein are shown in the directors' report of that company for the year ended 1 January 2006.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

~~By order of the board~~

L D Ginsberg

Secretary

12 January 2007

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Independent auditors' report

to the members of DP Peterborough Limited

We have audited the company's financial statements for the period ended 31 March 2006, which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an 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 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

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

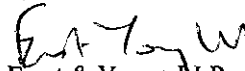
Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
Luton

12/11/07

Profit and loss account

for the period ended 31 March 2006

	Notes	Period ended 31 March 2006 £
Turnover	2	763,313
Cost of sales		(287,882)
Gross profit		475,431
Distribution costs		(251,763)
Administrative expenses		(214,609)
Operating profit	3	9,059
Interest receivable	6	1,237
Interest payable	6	(15,400)
Loss on ordinary activities before taxation		(5,104)
Tax on loss on ordinary activities	7	(1,083)
Loss retained for the financial year		(6,187)

The company has no recognised gains or losses other than the results for the period as set out above.

Balance sheet at 31 March 2006

	Notes	At 31 March 2006 £
Fixed assets		
Intangible assets	8	6,822
Tangible assets	9	477,399
		<u>484,221</u>
Current assets		
Stocks	10	4,081
Debtors	11	160,864
Cash at bank		30,834
		<u>195,779</u>
Creditors: amounts falling due within one year	12	169,104
Net current assets		<u>26,675</u>
Total assets less current liabilities		<u>510,896</u>
Creditors: amounts falling due after more than one year	13	366,000
Provisions for liabilities and charges		
Deferred taxation	7	1,083
		<u>143,813</u>
Capital and reserves		
Called up share capital	15	150,000
Profit and loss account	16	(6,187)
Equity shareholders' funds	16	<u>143,813</u>



L D Ginsberg
Director

12 January 2007

Notes to the financial statements

at 31 March 2006

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company qualifies as a small company.

Intangible fixed assets

Franchise fees are amounts paid to the franchisor. Goodwill arises on the purchase of trading stores. Amortisation is provided on a straight line basis over 20 years which aims to write off the cost of the asset over its expected useful life.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold improvements	- over the lease term
Fixtures, fittings and equipment	- over 1 - 10 years
Motor vehicles	- over 18 months.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks comprise raw materials and consumables and are stated at the lower of cost and net realisable value. Cost of stock is determined on the average cost basis.

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 assets are recognised only to the extent that the directors consider that it is 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 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.

Leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Pensions

The company makes contributions to certain individuals' personal pension plans. Contributions are charged in the profit and loss account as they become payable.

Notes to the financial statements

at 31 March 2006

2. Turnover

Turnover, which is stated net of VAT, represents amounts receivable in respect of goods sold. Turnover is attributable to one continuing activity, that of the operation and development of Domino's Pizza delivery stores.

Turnover by geographical market:

	<i>Period ended 31 March 2006 £</i>
United Kingdom	<u>763,313</u>

3. Operating profit

This is stated after charging:

	<i>Period ended 31 March 2006 £</i>
Auditors' remuneration - audit services	4,000
Depreciation of owned fixed assets	38,286
Operating lease rentals	37,800
Amortisation	<u>224</u>

4. Staff costs

	<i>Period ended 31 March 2006 £</i>
Wages and salaries	189,401
Social security costs	10,845
	<u>200,246</u>

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

	<i>Period ended 31 March 2006 No.</i>
Store staff	48
	<u>48</u>

5. Directors' emoluments

	<i>Period ended 31 March 2006 £</i>
Emoluments	<u>25,509</u>

Notes to the financial statements

at 31 March 2006

6. Interest payable and receivable

	<i>Period ended 31 March 2006 £</i>
Interest receivable – Amounts owed by group undertakings	1,237
Interest payable – Amounts owed to group undertakings	(15,400)
	<u>(14,163)</u>

7. Tax

(a) Tax on loss on ordinary activities

The tax charge is made up as follows:

	<i>Period ended 31 March 2006 £</i>
<i>Current tax:</i>	
UK corporation tax	–
Total current tax (note 7(b))	–
<i>Deferred tax:</i>	
Origination and reversal of timing differences	(1,083)
Tax on loss on ordinary activities	<u>(1,083)</u>

(b) Factors affecting current tax charge

- (c) The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30%. The differences are reconciled below:

	<i>Period ended 31 March 2006 £</i>
Loss on ordinary activities before taxation	<u>(5,104)</u>
Loss on ordinary activities at the standard rate of tax	(1,531)
Expenses not deductible for tax purposes	164
Group claim	(1,062)
Depreciation not eligible for tax purposes	3,512
Decelerated capital allowances	<u>(1,083)</u>
Total current tax (note 7(a))	–

Notes to the financial statements

at 31 March 2006

7. Tax (continued)

(c) Deferred tax

	<i>At 31 March 2006 £</i>
Capital allowances in advance of depreciation	(1,083)
Provision for deferred taxation	<u>(1,083)</u>
	£
On incorporation	-
Profit and loss account movement arising during the year	<u>(1,083)</u>
At 31 March 2006	<u>(1,083)</u>

8. Intangible fixed assets

	<i>Franchise Fees £</i>
Cost:	
On incorporation	-
Transfers from group companies	7,046
Additions	-
At 31 March 2006	<u>7,046</u>
Amortisation:	
On incorporation	-
Provided during the year	224
At 31 March 2006	<u>224</u>
Net book value:	
At 31 March 2006	<u>6,822</u>

Notes to the financial statements

at 31 March 2006

9. Tangible fixed assets

	<i>Leasehold improvements</i>	<i>Fixtures, fittings and equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	£	£	£	£
Cost:				
On incorporation	-	-	-	-
Transfers from group companies	339,277	165,061	4,618	508,956
Additions	3,394	3,335	-	6,729
At 31 March 2006	<u>342,671</u>	<u>168,396</u>	<u>4,618</u>	<u>515,685</u>
Depreciation:				
On incorporation	-	-	-	-
Provided during the year	15,116	21,333	1,837	38,286
At 31 March 2006	<u>15,116</u>	<u>21,333</u>	<u>1,837</u>	<u>38,286</u>
Net book value:				
At 31 March 2006	<u>327,555</u>	<u>147,063</u>	<u>2,781</u>	<u>477,399</u>

10. Stocks

	<i>At 31 March 2006</i>
	£
Raw materials and consumables	<u>4,081</u>

11. Debtors

	<i>At 31 March 2006</i>
	£
Amounts owed by group undertakings	122,998
Other debtors	7,476
Prepayments and accrued income	30,390
	<u>160,864</u>

12. Creditors: amounts falling due within one year

	<i>At 31 March 2006</i>
	£
Trade creditors	18,442
Accruals and deferred income	30,171
Other creditors	8,468
Other taxation and social security	54,653
Amounts owed to group undertakings	57,370
	<u>169,104</u>

Notes to the financial statements

at 31 March 2006

13. Creditors: amounts falling due after more than one year

At 31 March
2006
£

Amounts owed to group undertakings 366,000

Dominos Pizza Group Limited issued a loan note on the 26th of August 2005. The loan note cannot be redeemed by the note holder earlier than ten years from the date of issue and carries an interest rate of 2.5% above the base rate of the Royal Bank of Scotland plc.

14. Related party transactions

Related party	Royalty payments	National advertising contribution	Food, equipment & supply purchases	Operating lease rentals	Interest payments on loan notes	Acquisition of business	Total related party transactions
	£	£	£	£	£	£	£
Dominos Pizza Group Limited	41,982	33,915	208,865		15,400		300,162
The American Pizza Company Limited						516,000	516,000
DP Realty Limited				37,800			37,800
Total	<u>41,982</u>	<u>33,915</u>	<u>208,865</u>	<u>37,800</u>	<u>15,400</u>	<u>516,000</u>	<u>853,962</u>

Dominos Pizza Group Limited, The American Pizza Company Limited and DP Realty Limited are all wholly owned subsidiaries of Domino's Pizza UK & IRL plc. These transactions were all at normal market prices. As at 31 March 2006 there were outstanding balances owing to group companies as referred to in notes 12 and 13. There was an outstanding balance owed by group companies as referred to in note 11.

Notes to the financial statements

at 31 March 2006

15. Share capital

	<i>Authorised At 31 March 2006 £</i>
Ordinary A Shares shares of £1 each	120,000
Ordinary B Shares shares of £1 each	30,000
	<u>150,000</u>

	<i>Allotted, called up and fully paid At 31 March 2006 No.</i>	<i>£</i>
Ordinary A Shares shares of £1 each	120,000	120,000
Ordinary B Shares shares of £1 each	30,000	30,000
		<u>150,000</u>

16. Reconciliation of shareholders' funds and movement on reserves

	<i>No.</i>	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
Share capital on incorporation		-	-	-
Ordinary A shares of £1 each	120,000	120,000	-	120,000
Ordinary B shares of £1 each	30,000	30,000	-	30,000
Loss for the period		-	(6,187)	(6,187)
At 31 March 2006		<u>150,000</u>	<u>(6,187)</u>	<u>143,813</u>

During the period 30,000 Ordinary B share of £1 each were issued at par for a cash consideration of £30,000. In addition 120,000 Ordinary A share of £1 each were issued at par for cash consideration of £120,000.

17. Commitments under operating leases

At 31 March 2006 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>31 March 2006 £</i>
Operating leases which expire:	
In two to five years	16,100
In over five years	31,900
	<u>48,000</u>

Notes to the financial statements

at 31 March 2006

18. Parent undertaking and controlling party

In the opinion of the directors, the immediate parent company is Domino's Pizza Group Limited, a company incorporated in the United Kingdom which is a wholly owned subsidiary of Domino's Pizza UK & IRL plc. Copies of the financial statements of Domino's Pizza UK & IRL plc may be obtained from its registered office: Domino's House, Lasborough Road, Kingston, Milton Keynes, MK10 0AB.

In the opinion of the directors the controlling party is Domino's Pizza UK & IRL plc a company incorporated in the United Kingdom.