

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011
FOR
KMP TASTE LIMITED

FRIDAY



LD4 "L11F77P5" #40
28/09/2012
COMPANIES HOUSE

KMP TASTE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	10
Trading and Profit and Loss Account	16

KMP TASTE LIMITED

COMPANY INFORMATION
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

DIRECTORS: N N Patel
Mrs S Patel
V Patel

REGISTERED OFFICE: C/o Butler & Co LLP
Third Floor
126-134 Baker Street
London
W1U 6UE

REGISTERED NUMBER: 07457928 (England and Wales)

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

KMP TASTE LIMITED

REPORT OF THE DIRECTORS **FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011**

The directors present their report with the financial statements of the company for the period 2 December 2010 to 4 December 2011

INCORPORATION

The company was incorporated on 2 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of operating fast food franchised delivery restaurants

REVIEW OF BUSINESS

Only two weeks of trading is encapsulated within these accounts up to 4 December 2011 since the acquisition of the restaurants were completed on 21 November 2011

Principal Risks and Uncertainties

The progress and development of the company's strategy are defined by a number of risks which are continually reviewed by the management team in order that appropriate measures are in place to mitigate them. The principal risk continues to be the entry of new competitors within the geographical areas that our existing restaurants operate in, which is mitigated through local store marketing initiatives. We aim to provide a premium product with exemplary service, which should tie our customers in long term and therefore allow us to compete better against any new entrants in our trade zones.

DIVIDENDS

No dividends will be distributed for the period ended 4 December 2011

In view of the further plans for expansion, the directors wish to conserve the resources, hence no dividend is recommended for this year.

FUTURE DEVELOPMENTS

The company is in advanced negotiations with a view to increasing its portfolio of delivery restaurants which will strengthen the company further.

DIRECTORS

The directors who have held office during the period from 2 December 2010 to the date of this report are as follows:

N N Patel - appointed 14 December 2010
Mrs S Patel - appointed 14 December 2010
V Patel - appointed 12 September 2011

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

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.

KMP TASTE LIMITED

REPORT OF THE DIRECTORS
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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:



N N Patel - Director

Date 27/9/2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
KMP TASTE LIMITED

We have audited the financial statements of KMP Taste Limited for the period ended 4 December 2011 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 4 December 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Sanjeev Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126 - 134 Baker Street
London
W1U 6UE



Date 27 September 2012

KMP TASTE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

	Notes	£
TURNOVER		333,958
Cost of sales		<u>189,967</u>
GROSS PROFIT		143,991
Administrative expenses		<u>128,806</u>
		15,185
Other operating income		<u>1,453</u>
OPERATING PROFIT	3	16,638
Interest payable and similar charges	4	<u>8,145</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		8,493
Tax on profit on ordinary activities	5	<u>-</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>8,493</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current period

The notes form part of these financial statements

KMP TASTE LIMITED**BALANCE SHEET**
4 DECEMBER 2011

	Notes	£	£
FIXED ASSETS			
Intangible assets	6		3,609,296
Tangible assets	7		762,152
			<hr/>
			4,371,448
CURRENT ASSETS			
Stocks	8	34,414	
Debtors	9	102,518	
Cash at bank and in hand		513,834	
		<hr/>	
		650,766	
CREDITORS			
Amounts falling due within one year	10	1,156,479	
		<hr/>	
NET CURRENT LIABILITIES			(505,713)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,865,735
CREDITORS			
Amounts falling due after more than one year	11		3,857,143
			<hr/>
NET ASSETS			8,592
			<hr/> <hr/>
CAPITAL AND RESERVES			
Called up share capital	14		99
Profit and loss account	15		8,493
			<hr/>
SHAREHOLDERS' FUNDS	19		8,592
			<hr/> <hr/>

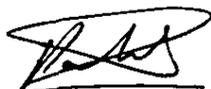
The financial statements were authorised for issue by the Board of Directors on signed on its behalf by

27/9/2012

and were



N N Patel - Director



V Patel - Director

The notes form part of these financial statements

KMP TASTE LIMITED**CASH FLOW STATEMENT
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011**

	Notes	£	£
Net cash inflow from operating activities	1		301,451
Returns on investments and servicing of finance	2		(8,145)
Capital expenditure	2		<u>(4,389,571)</u>
			(4,096,265)
Financing	2		<u>4,610,099</u>
Increase in cash in the period			<u><u>513,834</u></u>

**Reconciliation of net cash flow
to movement in net debt**

	3		
Increase in cash in the period		513,834	
Cash inflow from increase in debt		<u>(4,610,000)</u>	
Change in net debt resulting from cash flows			<u>(4,096,166)</u>
Movement in net debt in the period			<u>(4,096,166)</u>
Net debt at 2 December			<u>-</u>
Net debt at 4 December			<u><u>(4,096,166)</u></u>

The notes form part of these financial statements

KMP TASTE LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	£
Operating profit	16,638
Depreciation charges	18,123
Increase in stocks	(34,414)
Increase in debtors	(102,518)
Increase in creditors	403,622
Net cash inflow from operating activities	<u>301,451</u>

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

	£
Returns on investments and servicing of finance	
Interest paid	(8,145)
Net cash outflow for returns on investments and servicing of finance	<u>(8,145)</u>
Capital expenditure	
Purchase of intangible fixed assets	(3,623,231)
Purchase of tangible fixed assets	(766,340)
Net cash outflow for capital expenditure	<u>(4,389,571)</u>
Financing	
Bank Loan	2,850,000
Other Loan	1,760,000
Share issue	99
Net cash inflow from financing	<u>4,610,099</u>

The notes form part of these financial statements

KMP TASTE LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 2/12/10 £	Cash flow £	At 4/12/11 £
Net cash			
Cash at bank and in hand	-	513,834	513,834
	<u>-</u>	<u>513,834</u>	<u>513,834</u>
Debt			
Debts falling due within one year	-	(752,857)	(752,857)
Debts falling due after one year	-	(3,857,143)	(3,857,143)
	<u>-</u>	<u>(4,610,000)</u>	<u>(4,610,000)</u>
Total	<u>-</u>	<u>(4,096,166)</u>	<u>(4,096,166)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Going concern

As at 4th December 2011 current liabilities exceeded current assets by £ 505,713. However, the directors of the company consider that the going concern basis is appropriate in view of the assurance of continuing financial support, which the company has received from its shareholders

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Revenue comprises the fair value of the sale of goods and services to external customers, net of value added tax, and returns. Revenue is recognised on the sale of goods when the significant risks and rewards of ownership of goods have passed to the buyer and the amount of revenue can be measured reliably. Revenue on goods delivered is recognised when the customer accepts delivery.

Goodwill

Goodwill arising on acquisitions, represents any excess of the fair value of the consideration given over the fair value of the identifiable assets acquired, is capitalised and written off on straight line basis over its useful economic life, up to a maximum 10 years. In estimating the useful economic life of goodwill account has been taken of the nature of the business acquired and the period over which the value of the business will remain in excess of its tangible assets. Goodwill is reviewed for impairment at the end of the first full year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Franchise Fees

Franchise is amortised over its 10 years of estimated life of the asset

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

All tangible fixed assets are initially recorded at cost, which includes any expenses of acquisition

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Lease Improvements	- 10 year on straight line
Fixtures and fitting	- 20% on reducing balance
Motor Vehicles	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

KMP TASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011****2 STAFF COSTS**

	£
Wages and salaries	107,147

The average monthly number of employees during the period was as follows

Staff	308
-------	-----

3 OPERATING PROFIT

The operating profit is stated after charging

	£
Depreciation - owned assets	4,188
Goodwill amortisation	11,992
Franchise Fees amortisation	1,943
Auditor's remuneration	5,000
Auditor's non-audit services	7,000
Formation costs	200

Directors' remuneration	-
-------------------------	---

4 INTEREST PAYABLE AND SIMILAR CHARGES

	£
Bank loan interest	4,280
Other loan interest	3,865
	8,145

5 TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the period

Factors affecting the tax charge

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

	£
Profit on ordinary activities before tax	8,493
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21%	1,784
Effects of	
Expenses not deductible for tax purposes	42
Capital allowances in excess of depreciation	(48,297)
Losses carried forward	46,471
Current tax charge	-

KMP TASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011****6 INTANGIBLE FIXED ASSETS**

	Goodwill £	Franchise Fees £	Totals £
COST			
Additions	3,118,014	505,217	3,623,231
At 4 December 2011	<u>3,118,014</u>	<u>505,217</u>	<u>3,623,231</u>
AMORTISATION			
Amortisation for period	11,992	1,943	13,935
At 4 December 2011	<u>11,992</u>	<u>1,943</u>	<u>13,935</u>
NET BOOK VALUE			
At 4 December 2011	<u><u>3,106,022</u></u>	<u><u>503,274</u></u>	<u><u>3,609,296</u></u>

7 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
Additions	443,704	274,204	46,601	1,831	766,340
At 4 December 2011	<u>443,704</u>	<u>274,204</u>	<u>46,601</u>	<u>1,831</u>	<u>766,340</u>
DEPRECIATION					
Charge for period	1,707	2,109	358	14	4,188
At 4 December 2011	<u>1,707</u>	<u>2,109</u>	<u>358</u>	<u>14</u>	<u>4,188</u>
NET BOOK VALUE					
At 4 December 2011	<u><u>441,997</u></u>	<u><u>272,095</u></u>	<u><u>46,243</u></u>	<u><u>1,817</u></u>	<u><u>762,152</u></u>

8 STOCKS

Raw materials	£ <u>34,414</u>
---------------	--------------------

9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other debtors	£ 77,760
Prepayments	24,758
	<u>102,518</u>

KMP TASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011****10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Bank loans and overdrafts (see note 12)	407,143
Other loans (see note 12)	345,714
Trade creditors	203,373
Social security and other taxes	13,383
VAT	26,218
Other creditors	103,481
Accrued expenses	57,167
	<u>1,156,479</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	£
Bank loans (see note 12)	2,442,857
Other loans (see note 12)	1,414,286
	<u>3,857,143</u>

12 LOANS

An analysis of the maturity of loans is given below

	£
Amounts falling due within one year or on demand	
Bank loans	407,143
Other loans	345,714
	<u>752,857</u>
Amounts falling due between two and five years	
Bank loans - 2-5 years	1,628,572
Other loans - 2-5 years	942,856
	<u>2,571,428</u>
Amounts falling due in more than five years	
Repayable by instalments	
Bank loans more 5 yr by instal	814,285
Other loans more 5yrs instal	471,430
	<u>1,285,715</u>

KMP TASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

13 SECURED DEBTS

Bank Loan

Bank loan of £ 2,850,000 was received from Natwest Bank per loan agreement dated 26 October 2011. The loan is repayable over a period of 7 years by quarterly instalments at an interest of 4% above LIBOR.

Security

- (a) Debenture by way of fixed and floating charge on all current and future assets (tangible and intangible) of the company
- (b) Intercreditor agreement

Other Loan

An unsecured loan of £ 1,760,000 is received from Rautogrove Ltd. The loan is repayable over a period of 7 years by quarterly instalments at an interest of 4% above the base rate.

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	£
99	Ordinary shares	£1	99

99 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

15 RESERVES

	Profit and loss account £
Profit for the period	8,493
At 4 December 2011	8,493

16 OTHER FINANCIAL COMMITMENTS

The company has created a Rent Deposit Deed dated 21 November 2011, for securing any amount due or to become due from the company to the lessors of the company premises.

17 RELATED PARTY DISCLOSURES

Rautogrove Limited

Loan of £ 1,760,000 was received during the year.

Amount due to related party at the balance sheet date	£ 1,760,000
---	----------------

18 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party in the company.

KMP TASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 2 DECEMBER 2010 TO 4 DECEMBER 2011

19	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	
		£
	Profit for the financial period	8,493
	New share capital subscribed	99
		<hr/>
	Net addition to shareholders' funds	8,592
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	8,592
		<hr/> <hr/>
	Equity interests	8,592
		<hr/> <hr/>