REGISTERED NUMBER 2941640

Takeabreak Motorway Services Limited

REPORT AND FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 2 JANUARY 2010

Takeabreak Motorway Services Limited

COMPANY INFORMATION

DIRECTORS	S Turl A Haiat (resigned 31December 2009) R Margerrison (appointed 30 January 2009, resigned 14 January 2010) I McKay (appointed 30 January 2009) R Savage (appointed 30 January 2009, resigned 31 December 2009) Finsbury Corporate Services Limited (resigned 31 March 2009) S Lee (appointed 15 January 2010) R Tindale (appointed 15 January 2010)
SECRETARY	Finsbury Secretaries Limited (resigned 31 March 2009) M Hedditch (appointed 31 March 2009)
REGISTERED OFFICE	RoadChef House Norton Canes MSA Betty's Lane, Norton Canes Cannock Staffordshire WS11 9UX
AUDITORS	Ernst & Young LLP 1 Colmore Square Birmingham B4 6HQ
BANKERS	Barclays Bank Plc 1 Churchill Place London E14 5HP

Takeabreak Motorway Services Limited

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DIRECTORS' REPORT
FOR THE 52 WEEKS ENDED 2 JANUARY 2010

The directors present their report on the affairs of the Company together with the financial statements and independent auditors' report for the 52 weeks ended 2 January 2010 The comparative period was the 66 weeks ended 3 January 2009

Principal activity
The principal activity of the Company is the provision of services to the travelling public

Business review and future developments
The Company operates a motorway service area on 2 sides of the motorway in the United Kingdom under the name of "RoadChef"

RoadChef manages its operations at a group level and the directors therefore believe that disclosure of key performance indicators for the Company are not appropriate to understand the development, performance or position of the business

A full operating and financial review of the RoadChef business is included within the financial statements of Roadchef Limited an intermediate parent company, which are publicly available

The Company will continue to operate its motorway service areas and hopes to achieve an improvement to its earnings and cash flows

Results and dividends
The results for the period are set out on page 5 The directors do not recommend the payment of a dividend (2009 £nil)

Operating agreement
During the period, Takeabreak Motorway Services Limited continued to trade under the terms of the operating agreement entered into during the previous period with County Estates Management Services Limited (CEM)

During September 2009, the directors of MSA Acquisitions Co Ltd the intermediate parent company of Takeabreak Motorway Services Limited, took the decision to provide in full for the debtor balance that had arisen in respect of the agreement with CEM

The decision to provide against the CEM debtor has resulted in a change to the reporting format from October 2009 Full details are disclosed in Note 2

Going concern
The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review as disclosed within the financial statements of Roadchef Limited

The Group meets its day to day working capital requirements through an overdraft facility which is renewed annually

The Company's forecasts and projections, taking account of reasonable possible changes in trading performance show that the Company should be able to operate within the level of its current facility

After making enquiries, the directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts

Directors
Details of the directors who held office during the period are given below

S Turl
A Haiat (resigned 31December 2009)
R Margerrison (appointed 30 January 2009, resigned 14 January 2010)
I McKay (appointed 30 January 2009)
R Savage (appointed 30 January 2009, resigned 31 December 2009)
Finsbury Corporate Services Limited (resigned 31 March 2009)
S Lee (appointed 15 January 2010)
R Tindale (appointed 15 January 2010)

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks The key business risks and uncertainties affecting the Company are considered to relate to competition and employee retention

Disabled employees
Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged It is the policy of the Company that the training, career development and promotion of disabled persons should as far as possible, be identical with that of other employees

Employee involvement
The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group headed by MSA Acquisitions Co Limited

Equal opportunities
The Company is an equal opportunities employer Its policy is to ensure that recruitment, selection, training, development and promotion procedures result in no applicant or employee receiving less favourable and discriminatory treatment on the grounds of sex, age, race, nationality creed, ethnic origin, disability sexual orientation marital status or by conditions or requirements which cannot be shown to be justifiable

Charitable and political contributions
During the period the Company made charitable and political donations of £nil (3 January 2009 £nil)

Creditors payment
Creditors are paid in accordance with the terms and conditions relating to individual suppliers

Directors' liability insurance and indemnity

MSA Acquisitions Co Limited, the intermediate parent company has purchased insurance to cover the Company's directors against their costs in defending themselves in any legal proceedings taken against them in their Company capacity and in respect of damages arising out of any successful claims made

Disclosure of information to the auditors
So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the directors have taken all the steps necessary to make themselves aware of any relevant audit information and to convey that information to the Company's auditors

Auditors
In accordance with section 485 of the Companies Act 2006 a resolution proposing that Ernst & Young LLP be reappointed auditors of the Company will be put to the Annual General Meeting

On behalf of the Board

S Lee
Director

27 October 2010

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE 52 WEEKS ENDED 2 JANUARY 2010

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed, and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will remain 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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TAKEABREAK MOTORWAY SERVICES LIMITED

We have audited the financial statements of Takeabreak Motorway Services Limited for the 52 weeks ended 2 January 2010 which comprise the Profit and Loss Account the Statement of Total Recognised Gains and Losses Note of Historical Cost Profits and Losses Balance Sheet and the related notes 1 to 23 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 an 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 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 Directors' Responsibilities Statement set out on page 3, 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 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 (APB 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

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 2 January 2010 and of it's 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

Emphasis of matter – possible outcome of contract termination negotiations

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 2 to the financial statements concerning the possible outcome of negotiations to settle the monetary amounts owed to MSA Acquisitions Co Limited ('MSA), the parent company of Takeabreak Motorway Services Limited by County Estates Management Services Limited (CEM') The agreement with CEM was terminated in April 2010 and the control exercised by CEM under this agreement ceased at this point in time MSA is in negotiations with CEM to recover the monies owed to the Group as a result of the termination If no meaningful financial recovery is received from CEM it would need to be considered whether the contract transferred the risks and rewards of the operations to CEM and therefore whether the accounts presentation should be changed as outlined in note 2 The ultimate outcome of the matter cannot presently be determined, and no changes to the accounts that may result have been made in the financial statements

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors Report 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 by the company 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

Ernst & Young LLP

Simon O Neill (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

28 October 2010

Takeabreak Motorway Services Limited

PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEKS ENDED 2 JANUARY 2010

	Note	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
Turnover	2	**9,471**	15,453
Cost of sales		**(3,941)**	(9 350)
Gross profit		**5,530**	6 103
Administrative expenses		**(2,454)**	(2 619)
Operating profit	7	**3,076**	3,484
Interest receivable and similar income	5	**2,577**	3 271
Interest payable and similar charges	6	**(2,583)**	(3 327)
Profit on ordinary activities before taxation		**3,070**	3 428
Taxation	8	**(1,194)**	(1 230)
Profit for the financial period	18	**1,876**	2 198

The profit and loss account has been prepared on the basis that all operations are continuing operations

Takeabreak Motorway Services Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE 52 WEEKS ENDED 2 JANUARY 2010

	Note	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
Profit for the financial period	18	1,876	2,198
Unrealised deficit on revaluation of properties	10	(243)	(12,652)
Total recognised gains / (losses) for the period		1,633	(10 454)

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE 52 WEEKS ENDED 2 JANUARY 2010

		52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
Reported profit on ordinary activities before taxation	18	3,070	3,428
Difference between the historical cost depreciation charge and the actual depreciation charge for the period	18	474	522
Historical cost profit on ordinary activities before taxation		3,544	3,950
Historical cost profit on ordinary activities after taxation		2,350	2,720

Takeabreak Motorway Services Limited

BALANCE SHEET
AS AT 2 JANUARY 2010

	Note	2 January 2010 £'000	3 January 2009 £'000
Fixed assets			
Investment properties	9	-	70,850
Tangible fixed assets	10	70,200	-
		70,200	70,850
Current assets			
Stocks	11	211	629
Debtors due within one year	12	63,333	7,555
Debtors due after more than one year	12	56,620	54 040
Cash at bank and in hand		489	-
		120,653	62 224
Creditors amounts falling due within one year	13	(70,650)	(6 007)
Net current assets		50,003	56 217
Total assets less current liabilities		120,203	127 067
Creditors amounts falling due after more than one year	14	(32,076)	(41 517)
Deferred income	15	(944)	-
Net assets		87,183	85,550
Capital and reserves			
Called up share capital	17	818	818
Share premium account	18	3,802	3 802
Revaluation reserve	18	57,127	57 844
Profit and loss account	18	25,436	23,086
Equity shareholder's funds	19	87,183	85 550

The financial statements were approved by the Board and authorised for issue on 27 October 2010

Stephanie Lee

S Lee
Director

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 2006 and applicable accounting standards (UK GAAP) which have been consistently applied The principal accounting policies are set out below

Included within the Company's net current assets at 2 January 2010 of £50 003,000 (3 January 2009 £56,217 000) are amounts of £56 620 000 (3 January 2009 £54 040,000) due after more than one year from other Group companies Consequently the Company, after excluding these amounts, has net current liabilities of £6,617,000 (3 January 2009 net current assets of £2,177 000) The directors are of the opinion that having regard to the funding available from Roadchef Limited the Company has sufficient funds to continue in operational existence for at least 12 months from the date of approval of the financial statements For this reason, they continue to adopt the going concern basis in preparing the financial statements

Cash flow statement

The Company qualifies under Financial Reporting Standard 1 "Cash Flow Statements", for exemption from preparing a cash flow statement as it is a wholly owned subsidiary of a UK company which publishes a cash flow statement

Turnover

Turnover consists of the amounts receivable from customers in the UK from the Company's continuing activity and after the deduction of Value Added Tax Turnover on retail sales is recognised when goods are sold to the customer

Under the terms of certain fuel supply arrangements, the Company acts as an agent for the sale of fuel and fuel products on behalf of the petroleum companies The amounts included within turnover represent the commission earned on these transactions Commission is recognised upon the sale of the relevant fuel and fuel products on behalf of the petroleum companies to the customer

As described in note 2 from 1 January 2008 to 3 October 2009, the Company acted as an agent for County Estates Management Services Limited (CEM) The turnover for the 13 week period from 4 October 2009 to 2 January 2010 is recognised as detailed above For the comparative period the turnover for the first 14 weeks of the 66 week accounting period is as described above and for the remaining 52 weeks the turnover is as described in note 2

Vendor allowances

The Company receives various types of vendor allowances These take the form of up-front payments such as lump sum payments or prepaid amounts, rebates in the form of cash or credits, and other forms of payments These amounts are shown as a reduction in the cost of sales when appropriate

Interest and finance costs

Interest on loans drawn specifically for new developments incurred up to the date of practical completion, is capitalised as part of the cost of construction Financing costs associated with new borrowings are recognised in the profit and loss account over the term of the borrowings at a constant rate on the carrying amount Finance costs represent the difference between the total amount of the payments that will have to be made in respect of the borrowing instrument and the fair value of the consideration received on the issue of the instrument after deduction of costs that have been incurred and which are directly associated with the issue of that instrument and which would not have arisen had the instrument not been issued

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (including capitalised interest) or valuation net of depreciation and any provision for impairment, and are written off over their expected useful lives on a straight line basis as follows

Short leasehold land and buildings	Over the term of the lease

The cost of other tangible fixed assets comprises fixtures fittings computer equipment and motor vehicles and is written off over their expected useful lives on a straight line basis as follows

Fixtures and fittings	5 - 25 years
Computer equipment	3 - 5 years
Motor vehicles	4 years

Revaluation of properties

Individual freehold properties are professionally valued every five years and internally valued on the third year following the professional valuation with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such deficit is charged (or credited) to the profit and loss account

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves On the disposal or recognition of a provision for impairment of a re-valued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves

Impairment of tangible fixed assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss If any such indication exists the impairment is calculated as the difference between the carrying value and the recoverable value of income-generating units Recoverable value is the higher of net realisable value and estimated value in use at the date the impairment loss is recognised Value in use represents the present value of expected future discounted cash flows If incurred impairment is recognised immediately within the profit and loss account

Investment properties

For part of the period the company's properties were held for long term investment Investment properties are accounted for in accordance with SSAP 19 as follows

- Investment properties are revalued annually The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year, and

- no depreciation is provided in respect of leasehold properties where the lease has over 20 years to run

Although the Companies Act would normally require the systematic annual depreciation of leased fixed assets the directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view since the current value of investment properties, and changes to that current value are of prime importance rather than a calculation of systematic annual depreciation

During the period the nature of the operating agreement with County Estates Management Services Limited changed and the investment properties were transferred to fixed assets Full details have been disclosed in note 2

1 Accounting policies (continued)

Development costs and pre-opening expenses
External development costs are carried forward and capitalised if and when sites are developed and when its future recoverability can be reasonably regarded as assured Otherwise they are written off to the profit and loss account as incurred

Pre-opening expenses incurred prior to the opening of new motorway service areas are written off in the period in which they arise

Stocks
Stocks are stated at the lower of cost and net realisable value There is no inclusion of overheads in stocks

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

• Provision is made for tax on gains arising from the revaluation of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets only to the extent that, at the balance sheet date there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement asset is sold

• 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

Pension costs
The pension costs for defined contribution schemes are the contributions payable in the period

Debt
Debt is initially stated at the amount of the net proceeds after deduction of issue costs The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period

Leases
Rentals paid under operating leases are charged against income on a straight line basis over each lease term

Rental income
Rental income recognised in the profit and loss account consist of the amounts receivable under rental contracts net of value added tax Provision is made for any irrecoverable amounts

Related party transactions
The Company has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Disclosures" from the requirement to disclose transactions between wholly owned Group companies on the grounds that consolidated financial statements are prepared by the intermediate parent company, MSA Acquisitions Co Limited

2 Operating agreement

The operating agreement between County Estates Management Services Limited (CEM) and MSA Acquisitions Co Limited the Company's intermediate parent undertaking, has been in place throughout both financial periods Under this agreement CEM guarantees the MSA Acquisitions Co Limited Group a fixed revenue stream for the duration of the 5 year contract period and as a result the Company acts as an agent for CEM The main effect of the agreement on the financial statements is the presentation of the property portfolio as investment properties as opposed to tangible fixed assets and the profit and loss account being shown on a net basis with Takeabreak Motorway Services Limited turnover representing its share of the fixed revenue stream under the contract Items below operating profit are incurred by the Company and are unaffected by the operating agreement

In October 2009 it became evident that CEM would potentially not meet its liabilities due under the agreement and as a result the MSA Acquisitions Co Limited Group provided against the balances due from CEM both in the current period and the comparative period as an adjusting post balance sheet event As this changed the commerciality of the arrangement this resulted in a change to financial statement presentation from October 2009 The investment properties that were recognised during the period the Company acted as agent for CEM have now transferred back to tangible fixed assets and are being depreciated from the date of transfer and from October 2009 the profit and loss account now presents the full disclosure of the Company s trading position

The agreement with CEM was terminated in April 2010 and the control exercised by CEM under this agreement ceased at this point in time MSA Acquisitions Co Limited is in negotiations with CEM to recover the monies owed to the Group as a result of the termination The ultimate outcome of these negotiations cannot presently be determined If no meaningful financial recovery is received from CEM it would need to be considered whether the contract transferred the risks and rewards of the operations to CEM and therefore whether the accounts presentation should be changed as outlined above as a result of the contract over both periods presented

If the operating agreement with CEM was not in place during the financial period the results would be presented as follows

	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £ 000
Turnover	34,503	59 947
Cost of sales	(23,309)	(46 923)
Gross profit	11,194	13 024
Administrative expenses	(8,385)	(12,695)
Operating profit	2,809	329
Interest receivable and similar income	2,577	3 271
Interest payable and similar charges	(2,583)	(3,327)
Profit on ordinary activities before taxation	2,803	273
Reconciliation of above profit on ordinary activities before taxation to primary statement profit		
Profit on ordinary activities before taxation per above	2,803	273
Depreciation charge for the 39 weeks ended 4 October 2009 (52 weeks ended 3 January 2009)	267	3 155
Profit for the financial period before taxation per page 5	3,070	3,428

If the operating agreement with CEM had not been in place during the financial period, the only changes to the Consolidated balance sheet is that the £70,850,000 of investment properties as 3 January 2009 would be represented as Tangible fixed assets and although there is no change in the total of equity shareholders funds the Capital and reserves would be presented as follows,

	2 January 2010 £'000	3 January 2009 £'000
Capital and reserves		
Called up share capital		
Share premium account	818	818
Revaluation reserve	3,802	3 802
Profit and loss account	55,972	58,911
	26,591	22,019
Equity shareholders funds	87,183	85,550

3 Employee costs

	52 weeks ended 2 January 2010 Number	66 weeks ended 3 January 2009 Number
Operational	213	220
Management and administration	61	21
	274	241

Their payroll costs comprised

	£'000	£'000
Wages and salaries	3,619	3 634
Social security costs	282	271
Other pension costs	14	35
	3,915	3 940

4 Directors' emoluments

No directors received any emoluments or accrued any benefits in either the current or prior period The directors are paid by RoadChef Limited, an intermediate parent company No management recharge is made by RoadChef Limited in respect of their services to the Company

No directors were accruing benefits under defined benefit schemes in respect of qualifying services in either the current or prior period

5 Interest receivable and similar income

	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
On loans to another Group company	2,577	3 271
	2,577	3,271

6 Interest payable and similar charges

	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
On loans from another Group company	2,562	3,303
Finance costs of loans from another Group company	21	24
	2,583	3 327

7 Operating profit

	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
Operating profit is stated after charging		
Rental income from forecourts transferred to BP	(56)	-
Depreciation of tangible fixed assets		
- owned assets	201	144
- leased assets	552	602
Operating lease rentals		
- plant and machinery	80	45

The audit and non-audit fees were borne by RoadChef Limited, an intermediate parent company

Full disclosure of audit and non-audit fees can be found in the consolidated financial statements of MSA Acquisitions Co Limited, an intermediate parent company

8 Taxation

	52 weeks ended 2 January 2010 £'000	66 weeks ended 3 January 2009 £'000
Corporation tax		
Group relief payable	1,205	1,209
Adjustments in relation to prior periods	(11)	21
Current tax charge	1,194	1,230

The total current tax charge is different to the standard rate of corporation tax in the United Kingdom of 28% (3 January 2009 28 8%) The material differences are reconciled below

Profit on ordinary activities before taxation	3,070	3,428
Profit on ordinary activities before taxation multiplied by the UK tax rate of 28%/ (2008 28 8%)	860	987
Depreciation in excess of capital allowances	48	44
Expenses not deductible for tax purposes	156	177
Adjustments in relation to prior periods	(11)	22
BP income taxed on receipt	163	-
Other timing differences	(22)	-
Current tax charge	1,194	1 230

The Company has claimed group relief relating to the current and prior period from other group companies for a consideration of £1 194,000 (3 January 2009 £1,230,000)

Factors that may affect future tax charges

On 22 June 2010 the UK Chancellor of the Exchequer announced a number of corporate tax reforms that are effective from 1 April 2011

The following changes to corporation tax will have an impact on the company

• Mainstream rate of UK corporation tax reduction from 28% to 24% over a period of 4 years beginning 1 April 2011, and

• A proposed reduction in the main and special rate of capital allowances to 18% and 8% respectively for accounting periods ending after April 2012

The full impact of these changes has yet to be ascertained but it is likely that the company will have a lower UK effective tax rate on future taxable profits, subject to the receipt of group relief

The calculation of deferred tax balances does not therefore reflect the potential impact of these proposed rate reductions as they were not substantively enacted at the balance sheet date These will be appropriately disclosed in next year's statutory accounts

9 Investment properties

Group	2 January 2010
Valuation	£'000
At 4 January 2009	70,850
Additions	72
Transfer to tangible fixed assets	(70,922)
At 2 January 2010	-

10 Tangible fixed assets

	Short leasehold land and buildings £'000	Other £'000	Total £'000
Cost or valuation			
At 4 January 2009	-	-	-
Transfer from investment properties	67,964	2 958	70 922
Additions	-	274	274
Adjustment on revaluation	(671)	-	(671)
At 2 January 2010	67,293	3,232	70,525
Depreciation			
At 4 January 2009	-	-	-
Charge for period	552	201	753
Adjustment on revaluation	(428)	-	(428)
At 2 January 2010	124	201	325
Net book value			
At 2 January 2010	67,169	3,031	70,200
At 4 January 2009	-	-	-

Land and buildings were professionally valued by external valuers DTZ Debenham Tie Leung Chartered Surveyors, as at 31 December 2009 on an open market for existing use basis, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation manual

During the period, an agreement was entered into with BP to lease some of the forecourts that are included within the total value of the assets It is not possible to separately identify the exact value of these forecourts as they are not valued on a stand alone basis

If land and buildings had not been revalued they would have been included at the following amounts

	2 January 2010 £ 000	3 January 2009 £'000
Cost	11,257	11,257
Depreciation	(2,868)	(2,790)
Net book value	8,389	8 467

At the period end the Company had unprovided capital commitments of £nil (3 January 2009 £nil)

11 Stocks

	2 January 2010 £'000	3 January 2009 £'000
Raw materials and consumables	40	396
Goods for resale	171	233
	211	629

The replacement value of stock is not materially different than cost

12 Debtors

	2 January 2010 £'000	3 January 2009 £'000
Amounts falling due within one year		
Amounts owed by Group companies	63,098	7,294
Prepayments	235	261
	63,333	7 555
Amounts falling due after more than one year		
Amounts owed by Group companies	56,620	54 040
	119,953	61,595

13 Creditors amounts falling due within one year

	2 January 2010 £'000	3 January 2009 £ 000
Bank overdraft	-	2 988
Amounts owed to Group companies	70,432	2,744
Other taxes and social security	40	-
Accruals	178	275
	70,650	6 007

14 Creditors amounts falling due after more than one year

	2 January 2010 £'000	3 January 2009 £ 000
Amounts owed to Group company	32,076	41 517
	32,076	41,517

The amounts owed to Group company are secured over the assets of the Company and bear interest at varying interest rates between 7 418% and 8 015% There is no fixed repayment schedule

15 Deferred Income

	2 January 2010 £'000	3 January 2009 £'000
At 4 January 2009	-	-
Additions	1,000	-
Credited to the profit and loss account	(56)	-
At 2 January 2010	944	-

16 Provisions for liabilities and charges

	At 2 January 2010 Amount provided £'000	At 2 January 2010 Potential £'000	At 4 January 2009 Amount provided £'000	At 4 January 2009 Potential £'000
Deferred taxation				
Accelerated capital allowances	-	(1,533)	-	(1,454)
Tax losses	-	-		(6)
Property revaluations	-	12,763	-	12,536
Other timing differences	-	(264)	-	-
	-	10,966	-	11,076

	£'000
At 3 January 2009 potential deferred tax liability	11,076
Movement in unprovided deferred tax	(110)
At 2 January 2010 potential deferred tax liability	10,966

Deferred tax assets with a value of £1,797 000 (3 January 2009 £1 460,000) as shown above, have not been recognised as there is currently insufficient evidence that these assets will be recoverable

No provision has been made for deferred tax on gains recognised on revaluing property to its market value or on the sale of properties where potentially taxable gains have been rolled over into replacement assets Such tax would become payable only if the property were sold without it being possible to claim rollover relief The total amount unprovided for is £12 763,000 (3 January 2009 £12 535 000) At present it is not envisaged that any such tax will become payable in the foreseeable future

17 Share capital

	2 January 2010 £'000	3 January 2009 £'000
Authorised		
874,643 ordinary shares of £1 each	875	875
Allotted, called up and fully paid		
818 643 ordinary shares of £1 each	818	818

18 Reserves

	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
At 4 January 2009	3,802	57,844	23 086	84,732
Profit for the financial period	-		1 876	1,876
Release of revaluation reserve surplus	-	(474)	474	-
Impairment of properties	-	(243)	-	(243)
At 2 January 2010	3,802	57,127	25,436	86,365

19 Reconciliation of movement in shareholder's funds

	2 January 2010 £'000	3 January 2009 £'000
At 4 January	85,550	96,004
Profit for the financial period	1,876	2 198
Revaluation deficit on revaluation of fixed assets	(243)	(12,652)
At 2 January	87,183	85 550

20 Pension scheme

The Company operates a defined contribution 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 £nil (3 January 2009 £nil) An amount of £nil (3 January 2009 £nil) is owed to the pension scheme at the period end The valuation of the scheme showed a deficit of £4 4m as at 2 January 2010 (3 January 2009 deficit £2 2m)

21 Financial commitments

The long and short leasehold land and buildings are charged a peppercorn rent and the leases expire after more than five years

There are no operating lease commitments in respect of plant and machinery, all equipment is hired on a short-term basis when required

22 Contingent liabilities

The Company has guaranteed the bank loans and overdrafts of certain fellow subsidiary companies The aggregate amount outstanding as at 2 January 2010 was £4 300 000 (3 January 2009 £23,802,000)

There are fixed and floating charges over the assets of the Company to secure loan notes issued by a fellow subsidiary company amounting to £169 852 000 (3 January 2009 £175,000,000)

The board of Takeabreak Motorway Services Limited ("TAB") were made aware that on 3 December 2009 the ISA commenced an open investigation into matters relating to reports made public in Israel by Delek Real Estate Limited (DRE), TAB's controlling shareholder TAB has been notified that the ISA investigation includes among other matters the management agreement with County Estates Management Services Limited ("CEM")

23 Control

The immediate parent company is RoadChef Motorway Holdings Limited a company registered in England and Wales The largest UK group in which the results of the Company are consolidated is that headed by MSA Acquisitions Co Limited, and the smallest is that headed by RoadChef Motorway Holdings Limited Copies of these financial statements can be obtained from Companies House Crown Way, Maindy, Cardiff CF14 3UZ

The directors consider Delek Real Estate Limited to be the ultimate parent undertaking, Delek Real Estate is controlled by Yitzhak Tshuva who has a controlling shareholding in the company The registered office of Delek Real Estate Limited is 8464 Bet Adar Building 7, Giborei Israel Street Netanya South, 42504 Israel