

3419202

DP GROUP DEVELOPMENTS LIMITED

Report and Accounts

31 December 2000

 **ERNST & YOUNG**



DP Group Developments Limited

Registered no. 3419202

DIRECTORS

S G Hemsley FCA
C H R Moore (appointed 8 January 2001)
G Halpern (resigned 8 January 2001)
A Mallows (appointed 1 April 2001)

SECRETARY

A Mallows

AUDITORS

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

REGISTERED OFFICE

Domino's House
Lasborough Road
Kingston
Milton Keynes
Bucks
MK10 0AB

 **ERNST & YOUNG**

DP Group Developments Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2000.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £40,954 (1999: loss £133,283). The directors do not recommend the payment of a dividend.

PRINCIPLE ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activity during the year continued to be the acquisition, development and maintenance of a commissary site for its parent company.

DIRECTORS AND THEIR INTERESTS

The directors had no interest, as defined by the Companies Act 1985, in the share capital of the company at any time during the year.

S Hemsley, C Moore and G Halpern are also directors of Domino's Pizza UK & IRL plc, the immediate parent company, details of their interests therein are shown in the directors' report of that company for the year ended 31 December 2000. A Mallows has the following share options in Domino's Pizza UK & IRL plc:

<i>Date of grant</i>	<i>Number of ordinary shares under options</i>	<i>Exercise price per ordinary share</i>	<i>Date of expiry</i>
31.03.99	34,638	42.1p	30.03.2009
24.11.99	51,957	50p	23.11.2009
04.08.00	30,000	53p	03.08.2010

AUDITORS

On 28 June 2001, Ernst & Young, the company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001. A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

By order of the board



Secretary

27 July 2001

DP Group Developments Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

REPORT OF THE AUDITORS
to the members of DP Group Developments Limited

We have audited the accounts on pages 6 to 10, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Registered Auditor
Luton

27 July 2001

DP Group Developments Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2000

	<i>Notes</i>	<i>2000</i> £	<i>1999</i> £
Rent receivable		106,000	95,060
GROSS PROFIT		<u>106,000</u>	<u>95,060</u>
Administrative expenses		65,046	93,851
OPERATING PROFIT	2	<u>40,954</u>	<u>1,209</u>
Interest payable and similar charges	3	–	(134,492)
PROFIT/(LOSS) BEFORE TAXATION		<u>40,954</u>	<u>(133,283)</u>
Taxation	4	–	–
PROFIT/(LOSS) RETAINED FOR THE FINANCIAL YEAR	8	<u><u>40,954</u></u>	<u><u>(133,283)</u></u>

There were no recognised gains or losses other than those included in the profit and loss account.

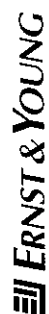
All turnover relates to continuing activities

DP Group Developments Limited

BALANCE SHEET

at 31 December 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	5	4,069,175	3,731,852
CREDITORS: amounts falling due within one year	6	4,214,895	3,918,526
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(145,720)</u>	<u>(186,674)</u>
CAPITAL AND RESERVES			
Called up share capital	7	10	10
Profit and loss account	8	(145,730)	(186,684)
Equity shareholders' funds		<u>(145,720)</u>	<u>(186,674)</u>

 ERNST & YOUNG



Director

27 July 2001

DP Group Developments Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

1. ACCOUNTING POLICIES

Fundamental accounting concept

The accounts are prepared on a going concern basis as the immediate parent undertaking has agreed not to seek repayment at the expense of third party creditors.

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Tangible fixed assets and depreciation

Freehold land and buildings are stated at cost. Interest accrued during the building phase has been capitalised into the cost of the asset.

Freehold buildings are depreciated over 50 years, this being the rate calculated to write off the cost of each asset over its expected useful life. Provision for depreciation commenced on the date the building came into use.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing will reverse.

2. OPERATING PROFIT

This is stated after charging:

	2000 £	1999 £
Depreciation of owned fixed assets	58,210	55,492

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
Bank loans and overdrafts	–	134,492

4. TAXATION

There is no tax charge for the year due to the availability of deferred tax assets.

Deferred tax assets not recognised are as follows:

	2000 £	1999 £
Accelerated capital allowances	149,557	93,126

NOTES TO THE ACCOUNTS
at 31 December 2000

<i>Freehold land</i>	<i>Freehold buildings</i>	<i>Total</i>
£	£	£
998,990	2,801,610	3,800,600
—	395,531	395,531
<hr/>	<hr/>	<hr/>
998,990	3,197,141	4,196,131
<hr/>	<hr/>	<hr/>
—	68,748	68,748
—	58,208	58,208
<hr/>	<hr/>	<hr/>
—	126,956	126,956
<hr/>	<hr/>	<hr/>
998,990	3,070,185	4,069,175
<hr/>	<hr/>	<hr/>
998,990	2,732,862	3,731,852

6. CREDITORS: amounts falling due within one year

	2000	1999
	£	£
Amounts due to group undertaking	4,139,587	3,852,558
Accruals	75,308	65,968
	<u>4,214,895</u>	<u>3,918,526</u>

	<i>Authorised</i>	
	<i>2000</i>	<i>1999</i>
	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
	<i>Allotted, called up but not paid</i>	
	<i>2000</i>	<i>1999</i>
	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	10	10
	<u> </u>	<u> </u>

DP Group Developments Limited

NOTES TO THE ACCOUNTS at 31 December 2000

8. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
At 29 December 1998	10	(53,401)	(53,391)
Loss for the year	—	(133,283)	(133,283)
At 26 December 1999	10	(186,684)	(186,674)
Profit for the year	—	40,954	40,954
At 31 December 2000	10	(145,730)	(145,720)

9. CONTINGENT LIABILITIES

The group has entered into an agreement to obtain bank loans and mortgage facilities. These are secured by a fixed and floating charge over the group's assets. At 31 December 2000 the balance due under these facilities was £6,000,000 (1999: £4,500,000). The loans will bear interest at 1.0% over base.

10. RELATED PARTIES

The company has relied on the exemption under FRS 8 from disclosing transactions with group companies on the basis that the company is a wholly owned subsidiary and the immediate parent company produces consolidated accounts which are publicly available.

11. PARENT UNDERTAKING AND CONTROLLING PARTY

In the opinion of the directors the immediate parent company is Domino's Pizza UK & IRL plc, a company incorporated in the United Kingdom. Ultimate control rests with Woodland Limited Partnership, a limited partnership controlled by members of the Halpern family.