

**PandoraExpress 2 Ltd**  
(Registered Number: 4688647)

**Directors' Report and Financial Statements**

**Period Ended 30 June 2004**



# **PandoraExpress 2 Ltd**

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## PandoraExpress 2 Ltd

### Directors' Report for the Period Ended 30 June 2004

The directors submit their report and the audited financial statements of the Company for the period ended 30 June 2004.

#### Review of the business

The Company's principal activity is that of a holding company. The Company was incorporated on 6 March 2003.

#### Change of name

The Company changed its name from TrushelfCo (No. 2936) Limited to PandoraExpress 2 Limited on 27 March 2003.

#### Results and dividends

The Company's profit for the period, after taxation, amounted to £67,346 which has been transferred to reserves. The directors do not recommend the payment of a dividend.

#### Directors and their interests

The directors of the Company during the period are shown below:

E J Zuercher (appointed 6 March 2003, resigned 12 March 2003)  
L J Stoker (appointed 6 March 2003, resigned 12 March 2003)  
A G Ryde (appointed 12 March 2003, resigned 27 March 2003)  
T Bowley (appointed 12 March 2003, resigned 27 March 2003)  
R 'T Hooft (appointed 27 March 2003)  
C Luyckx (appointed 27 March 2003)  
M Dale (appointed 27 March 2003)  
S Robertson (appointed 27 March 2003)

No director holds any interests in the share capital of PandoraExpress 2 Ltd, nor in the share capital of the immediate parent undertaking, PandoraExpress 1 Ltd.

#### Statement of directors' responsibilities

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 year. In preparing those financial statements, the directors are required to:

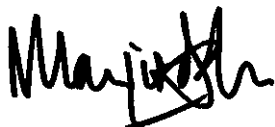
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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.

#### Auditors

PricewaterhouseCoopers LLP, having been appointed as auditors during the period, offer themselves for reappointment at the forthcoming annual general meeting.

By Order of the Board



M Dale  
Director

14 July 2005

## **Independent Auditors' Report to the Members of PandoraExpress 2 Ltd**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

### **Basis of audit 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 financial statements. It also includes an assessment of the significant estimates and judgements 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 of the state of the Company's affairs at 30 June 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

*14 July 2005*

## PandoraExpress 2 Ltd

### Profit and Loss Account for the Period Ended 30 June 2004

	Note	2004 £
Administrative costs		-
<b>Operating profit</b>	2	-
Net Interest Receivable	4	67,346
<b>Profit on ordinary activities before taxation</b>		67,346
Taxation on profit on ordinary activities	5	-
<b>Retained profit for the year</b>	10	67,346

The Company has no recognised gains or losses during the period, other than those reflected in the above profit and loss account.

There is no difference between the reported profit for the period and those that would be reported under the historical cost convention.

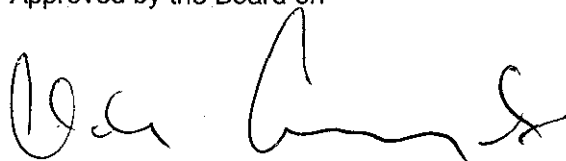
The notes on pages 5 to 9 form an integral part of these financial statements.

# PandoraExpress 2 Ltd

## Balance Sheet as at 30 June 2004

	Note	2004 £
<b>Fixed assets</b>		
<b>Investments</b>	6	12,502
		<u>12,502</u>
<b>Current assets</b>		
<b>Debtors</b>	7	41,402,095
<b>Creditors - amounts falling due within one year</b>	8	(41,334,749)
<b>Net current assets</b>		<u>67,346</u>
<b>Net assets</b>		<u>79,848</u>
<b>Capital and reserves</b>		
<b>Called-up share capital</b>	9	12,502
<b>Profit and loss account</b>	10	67,346
<b>Equity shareholders' funds</b>	11	<u>79,848</u>

Approved by the Board on



Director

14 July 2005

The notes on pages 5 to 9 form an integral part of these financial statements.

# **PandoraExpress 2 Ltd**

## **Notes to the Financial Statements - 30 June 2004**

### **1 Accounting policies**

The principal accounting policies of the Company are described below:

#### **(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with all applicable accounting standards. As this is the Company's first accounting period, no comparative amounts are presented.

#### **(b) Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

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, tax in the future.

Resultant deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted, or where there are deferred tax liabilities against which the assets can be recovered.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply to the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **(c) Investments**

Investments are held at cost less any provision for impairment.

# PandoraExpress 2 Ltd

## Notes to the Financial Statements - 30 June 2004

### 2 Operating profit

The operating profit is stated after charging:

	2004 £
Operating lease rentals:	
- land and buildings	-
- other	-
Auditors' remuneration	-
Management Charge	-

Auditors remuneration was borne by a related company.

### 3 Staff costs

The company had no employees during the period.

#### Directors' remuneration

No remuneration was paid by the company to any director during the period.

### 4 Net Interest Receivable

2004  
£

#### Interest Receivable

Interest Receivable from Subsidiary Undertakings	8,237,693
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#### Interest Payable

Interest Payable to Parent Undertakings	806,131
Loan Interest Payable	7,364,216
	<hr/>
	67,346



# PandoraExpress 2 Ltd

## Notes to the Financial Statements - 30 June 2004

### 5 Taxation

	2004 £
United Kingdom	
Corporation taxation charge at 30%	-
Tax on profit on ordinary activities	-

The tax for the period is lower than the standard rate of corporation tax in the UK (30%). The difference is explained below:

	2004 £
Profit on ordinary activities before taxation	67,346
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	20,204
Effects of:	
Group relief	(20,204)
	-

### 6 Fixed asset investments

	2004 £
At incorporation	-
Acquired in the period	12,502
At 30 June 2004	12,502

The Company's principal subsidiary undertakings at 30 June 2004 were :

Name of Subsidiary	Principal activity	Country of Incorporation	Proportion of Ordinary Share Capital
PandoraExpress 3 Limited	Holding Company	United Kingdom	100%
PandoraExpress 4 Limited	Holding Company	United Kingdom	100%
GondolaExpress Limited	Holding Company	United Kingdom	100%
PandoraExpress 5 Limited	Dormant	United Kingdom	100%
PandoraExpress 2A Limited	Holding Company	United Kingdom	100%
PizzaExpress Limited*	Restaurateur	United Kingdom	89.5%
PizzaExpress (Restaurants) Limited*	Restaurateur	United Kingdom	100%
PizzaExpress (Franchises) Limited	Franchising	United Kingdom	100%
Bookcash Trading Limited*	Restaurateur	United Kingdom	100%
Café Pasta Limited	Restaurateur	United Kingdom	100%
PizzaExpress (Wholesale) Limited*	Distribution	United Kingdom	100%
PizzaExpress (Merchandising) Limited*	Branded Sales	United Kingdom	100%
Agribite Limited*	Restaurateur	United Kingdom	100%
PizzaExpress (Jersey) Limited*	Restaurateur	United Kingdom	100%

\* These companies were sold on 1st July 2004.

### 7 Debtors

	2004 £
Amounts owed by subsidiary undertaking	41,402,095
	41,402,095

# PandoraExpress 2 Ltd

## Notes to the Financial Statements - 30 June 2004

### 8 Creditors - amounts falling due within one year

	2004 £
Amounts owed to fellow subsidiary undertakings	41,334,749
	<u>41,334,749</u>

Amounts owed to fellow subsidiary undertakings represent debt of £40,528,617 owed to Riposte. Interest accrues at 16.5% per annum, and amounts to £806,132 at balance sheet date.

### 9 Share capital

	2004 Equity £
<b>Authorised:</b>	
50,100 Ordinary shares of £1	50,100
<b>Allotted, called-up and fully paid:</b>	
12,502 Ordinary A share of £1	12,502

### 10 Reserves

	Profit and loss account £
At Incorporation	-
Retained profit for the period	67,346
<b>At 30 June 2004</b>	<b>67,346</b>

### 11 Reconciliation of movement in shareholders' funds

	2004 £
Profit for the period	67,346
Issue of share capital	12,502
Opening shareholders' funds	-
<b>Closing shareholders' funds</b>	<b>79,848</b>

## **PandoraExpress 2 Ltd**

### **Notes to the Financial Statements - 30 June 2004**

#### **12 Ultimate parent undertaking**

The immediate and ultimate parent undertaking is PandoraExpress 1 Ltd, a company registered in England & Wales. The ultimate parent undertaking is PandoraExpress LP, an English Limited Partnership.

The equity interests in PandoraExpress LP are held by TDR Capital Nominees Limited, TDR Capital General Partner Limited and CVI Limited (together "the PandoraExpress shareholders"). Accordingly, the directors consider the Company's ultimate controlling parties to be funds managed by the PandoraExpress shareholders.

The largest group of which the company is a member and for which Group financial statements are prepared is PandoraExpress 1 Ltd, a subsidiary of the ultimate parent undertaking.

#### **13 Cash flow statement and related party disclosures**

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of the Financial Reporting Standard 1 (revised). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the PandoraExpress 1 Limited group.

#### **14 Contingent liability**

At the balance sheet date the Company was party to an unlimited guarantee given by certain subsidiaries of PizzaExpress Limited in respect of bank overdraft facilities.

#### **15 Related party transactions**

In accordance with Financial Reporting Standard 8, the Company has taken advantage of the exemption from disclosing transactions with entities that are part of the PandoraExpress 1 Limited Group, as it is a more than ninety per cent owned subsidiary of a parent whose consolidated financial statements are publicly available. There are no other related party transactions.