

Registered No: 07916193

Domino's Pizza Germany Limited

Report and Financial Statements

25 December 2022

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52 weeks ended 25 December 2022

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Domino's Pizza Germany Limited

Company information

52 weeks ended 25 December 2022

Directors

A J Bushnell
D Telford

Secretary

A J Bushnell

Independent auditors

PricewaterhouseCoopers LLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Bankers

Barclays Bank Plc
Frankfurt Branch
Taunusturm,
Taunustor 1,
60310 Frankfurt am Main
Germany

Registered office

1 Thornbury
West Ashland
Milton Keynes
Buckinghamshire
MK6 4BB
United Kingdom

Domino's Pizza Germany Limited is a private company registered in England and Wales, limited by shares.

Directors' report

52 weeks ended 25 December 2022

The Directors present their report and audited financial statements for the 52-week period ended 25 December 2022.

Directors

The current directors are shown on page 1. The Directors of the Company who were in office during the year end and up to the date of the signing the financial statements were as follows:

Changes during the period were as follows:

A J Bushnell (Appointed 17 October 2022)
D W Surdeau (Resigned 17 October 2022)

The Directors had no interests, as defined by the Companies Act 2006, in the share capital of the Company at any time during the period.

Directors' and officers' liability insurance

The Company maintains insurance against certain liabilities, which could arise from a negligent act or a breach of duty by its directors and officers in the discharge of their duties.

Special provisions

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 414B and 415A of the Companies Act 2006.

Financial instruments

The Company's principal financial instruments consist of Group intercompany balances. The Company has not entered into any derivative transactions such as interest rate swaps or financial foreign currency contracts. In view of the intra-Group nature of remaining financial instruments in the Company, the Board does not consider there to be any significant risks.

Going concern

The future intention of the Company is to continue to support the property that expires in 2023, following completion of the lease, then the business will be liquidated, therefore the financial statements have been prepared on a basis other than going concern.

The Company's trade and other payables have been reclassified from non-current liabilities to current liabilities. No further reclassification adjustments were necessary. Adjustments to write down the assets to their recoverable amount and to provide for liabilities arising from the Company's plan to liquidate in the future were not necessary in these financial statements.

Independent auditors

A resolution was passed to appoint PricewaterhouseCoopers LLP as the group independent auditors at the 2022 AGM.

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Report and the financial statements in accordance with applicable law and regulation. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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.

Directors' report (continued)

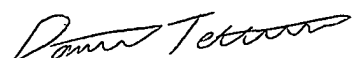
52 weeks ended 25 December 2022

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The financial statements on pages 7 to 18 were approved by the Board of Directors on 07 June 2023 and signed on its behalf by



D Telford
Director
07 June 2023

Report on the audit of the financial statements

Opinion

In our opinion, Domino's Pizza Germany Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 25 December 2022 and of its loss for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 25 December 2022; the Statement of comprehensive income and Statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the Directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the period ended 25 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and tax regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries either in the underlying books and records or management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with the Directors, internal audit and the Group's legal team, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Domino's Pizza Germany Limited

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "Claire Browne". The signature is written in a cursive, flowing style.

Claire Browne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
7 June 2023

Statement of comprehensive income

52 weeks ended 25 December 2022

| | Note | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|-----------------------------|------|---|---|
| Administrative expenses | | (52) | (207) |
| Operating loss | | (52) | (207) |
| Finance income | 4 | 4 | 7 |
| Finance expenses | 5 | (1,621) | (1,424) |
| Loss before taxation | | (1,669) | (1,624) |
| Taxation | 6 | 315 | 383 |
| Loss for the period | | (1,354) | (1,241) |

All amounts included within total comprehensive expense relate to continuing operations.

The notes on pages 11 to 18 form part of these financial statements.

Statement of other comprehensive income

52 weeks ended 25 December 2022

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|---|---|---|
| Loss for the period | (1,354) | (1,241) |
| Other comprehensive income | - | - |
| Total comprehensive expense for the period | (1,354) | (1,241) |

The notes on pages 11 to 18 form part of these financial statements.

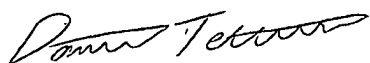
Balance sheet

As at 25 December 2022

| | Note | At 25 December 2022 €000 | At 26 December 2021 €000 |
|------------------------------------|------|-----------------------------------|-----------------------------------|
| Non-current assets | | | |
| Lease receivables | 7 | - | 42 |
| | | - | 42 |
| Current assets | | | |
| Trade and other receivables | 8 | 587 | 348 |
| Lease receivables | 7 | 41 | 52 |
| Current tax asset | | 203 | - |
| Cash and cash equivalents | | 317 | 294 |
| | | 1,148 | 694 |
| Total assets | | 1,148 | 736 |
| Current liabilities | | | |
| Trade and other payables | 9 | (44,329) | (31) |
| Lease payables | 7 | (41) | (52) |
| Provision for liabilities | 10 | (32) | - |
| | | (44,402) | (83) |
| Non-current liabilities | | | |
| Trade and other payables | 9 | - | (42,479) |
| Lease payables | 7 | - | (42) |
| Provision for liabilities | 10 | - | (32) |
| | | - | (42,553) |
| Total liabilities | | (44,402) | (42,636) |
| Net liabilities | | (43,254) | (41,900) |
| Shareholders' equity | | | |
| Called up share capital | 11 | - | - |
| Share premium account | | 16,500 | 16,500 |
| Accumulated losses | | (59,754) | (58,400) |
| Total shareholders' deficit | | (43,254) | (41,900) |

The notes on pages 11 to 18 form part of these financial statements.

The financial statements on pages 7 to 18 of Domino's Pizza Germany Limited (Registered No: 07916193) were approved by the Board on 07 June 2023 and signed on its behalf by



D Telford

Director

Statement of changes in equity

52 weeks ended 25 December 2022

| | Called-up Share capital €000 | Share premium account €000 | Accumulated losses €000 | Total shareholders' deficit €000 |
|--|---------------------------------------|-------------------------------------|-------------------------------|---|
| At 27 December 2020 | - | 16,500 | (57,159) | (40,659) |
| Total comprehensive expense for the period | - | - | (1,241) | (1,241) |
| At 26 December 2021 | - | 16,500 | (58,400) | (41,900) |
| Total comprehensive expense for the period | - | - | (1,354) | (1,354) |
| At 25 December 2022 | - | 16,500 | (59,754) | (43,254) |

The notes on pages 11 to 18 form part of these financial statements.

Notes to the financial statements

52 weeks ended 25 December 2022

1. Accounting policies

General information

The financial statements of Domino's Pizza Germany Limited for the 52 weeks ended 25 December 2022 were authorised for issue by the Board of Directors on 07 June 2023. Domino's Pizza Germany Limited is a limited liability company incorporated and domiciled in the United Kingdom.

These financial statements are presented consistently in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101) and in accordance with applicable accounting standards under the historical cost convention. The financial statements have been prepared on a basis other than going concern.

The Company's financial statements are presented in Euro (€) and all values are rounded to the nearest thousand euros (€000), except when otherwise indicated.

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 25 December 2022 and have been applied consistently.

The Company has taken advantage of the following disclosure exemptions under FRS 101 in respect of:

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- d) the requirements of paragraphs 10(d) and 134-136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets;
- j) The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;

The basis for all the above exemptions is because equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

Going Concern

The future intention of the Company is to continue to support the property that expires in 2023, following completion of the lease, then the business will be liquidated, therefore the financial statements have been prepared on a basis other than going concern.

Key Judgements and Estimates

Treatment of leases

As set out in note 1, the length of leases are determined by the term remaining on the standard franchise agreement ("SFA") instead of the term remaining in the lease agreement. The contractual extension periods are within the SFA which each of the stores enter into, which relates solely to the property address. As the sub-lease and the SFA are entered into at the same time, the contracts have been linked for the purposes of assessing extension periods. This is considered a significant judgement as if the lease terms were not considered extended on the sub lease, the classification of the sub lease would be treated as an operating lease under IFRS 16 and therefore would alter the classification of amounts recognised under the lease.

Foreign currencies

The Company's financial statements are presented in euros, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

1. Accounting policies (continued)

Transactions and balances (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Leases

Leasing operations of the Company

The Company holds a lease in Germany, which is part of the legacy business that was disposed of in 2016. The Company holds the head lease with the landlord and sublets to a food takeaway business. The leases are back-to-back and expire in 2023, at which point the Company will cease to lease the property.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Company under residual value guarantees
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The methodology for calculating the discount rate incorporates three key elements: risk-free rate (reflecting specific country and currency), credit spread (reflecting the specific risk for each subsidiary within the group) and an asset class adjustment (reflecting the variation risk between asset categories). The average discount rate applied to property leases is 6.34%, the discount rate takes into account the nature and location of the property.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The Company has chosen not to revalue the right-of-use land and buildings.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

The Company as Lessor

The Company is an intermediary lessor and accounts for the head lease and the sub leases separately as two separate contracts. The sublease is classified either as a long term lease or short term lease by reference to the right of use asset arising from the head lease. For leases to Franchisees over freehold property held by the group, these are recorded as short term leases. The lease in the Company used to follow the same terms as stated above, however due to us exiting Germany, we no longer sublease this building to a franchisee and instead sublease to a third party takeaway food vendor.

Extension options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. In the majority of cases terms agreed with landlords are mirrored in terms in a "back to back" sub-lease arrangement, this is the case for the lease in the Company. Where the sub-lease covers substantially all of the right-of-use head-lease, the right of use asset the group would recognise as lessee is derecognised and replaced by a lease receivable from the sub-lease, with interest income recognised in the income statement and depreciation of a right-of-use asset as lessee no longer recorded. This results in a lease receivable for the group as lessor and a lease liability for the group as lessee, with interest income and expense recognised separately.

Modifications to leases

The Company remeasures the lease liability and lease receivable whenever the lease term has changed or there is a significant event or change in circumstances in relation to the treatment of extension options or a lease contract is modified to alter future cash flows and the lease modification is not accounted for as a separate lease. Both the lease liability and lease receivable are remeasured following such changes, and where relevant, a corresponding adjustment is made to the related right-of-use asset.

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

1. Accounting policies (continued)

Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Trade and other receivables

Trade receivables, which generally have seven to 28-day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when it is likely that the balance will not be recovered in full. Balances are written off when the probability of recovery is considered remote.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or other cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised using the liability method, providing for temporary differences between the tax bases and the accounting bases of assets and liabilities. Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for all temporary differences, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or losses can be utilised.

Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to other comprehensive income or to equity, in which case the income tax is also dealt with in other comprehensive income or equity respectively.

Deferred tax assets and liabilities are offset against each other when the Company has a legally enforceable right to set off current tax assets and liabilities and the deferred tax relates to income taxes levied by the same tax jurisdiction on either the same taxable entity, or on different taxable entities which intend to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities are expected to be settled or recovered.

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

1. Accounting policies (continued)

Derecognition of financial assets and liabilities

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Pensions

The Company no longer contributes to the personal pension plans of certain staff with defined contribution schemes. Contributions are charged as an expense as they fall due. Any contributions unpaid at the balance sheet date are included as an accrual at that date. The Company has no further payment obligations once the contributions have been paid. In 2022, the Company had no staff.

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

2. Auditors' remuneration

The following amounts were paid to the Company's auditors by Domino's Pizza UK & Ireland Limited, a fellow group company, in respect of the audit of the financial statements and for other services provided to the Company:

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|--|--|--|
| Fees payable for the audit of the Company annual financial statements* | 5 | 5 |

*The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group financial statements of its parent Domino's Pizza Group plc.

3. Staff costs and directors' remuneration*(a) Staff costs*

There were no employees in the Company during the period (2021: nil)

(b) Directors remuneration

No salaries have been paid to directors during the period (2021: €nil). The Directors were remunerated by Domino's Pizza UK & Ireland Limited and Domino's Pizza Group plc. The Directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors of other fellow Group companies.

4. Finance Income

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|-------------------------------|--|--|
| Interest receivable on leases | 4 | 7 |

5. Finance expense

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|-----------------------------------|--|--|
| Shareholder loan interest payable | 1,609 | 1,417 |
| Interest payable on leases | 4 | 7 |
| Other interest payable | 8 | - |
| | 1,621 | 1,424 |

6. Taxation*(a) Tax on loss*

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|---|--|--|
| Tax credit in the income statement | | |
| Current income tax: | | |
| UK corporation tax: | | |
| – current period | (317) | (309) |
| – adjustment in respect of prior period | 2 | (74) |
| Total current income tax credit | (315) | (383) |
| Deferred tax: | | |
| Total deferred tax | - | - |
| Tax credit in the income statement | (315) | (383) |

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

6. Taxation (continued)

(b) Reconciliation of the total tax credit

The tax credit in the income statement for the 52 weeks ended 25 December 2022 is lower (2021: higher) than the statutory corporation tax rate of 19.0% (2021: 19.00%). The differences are reconciled below:

| | 52 weeks ended 25 December 2022 €000 | 52 weeks ended 26 December 2021 €000 |
|--|--|--|
| Loss before taxation | (1,669) | (1,624) |
| Accounting loss before taxation multiplied by the standard rate of corporation tax of 19% (2021: 19.00%) | (317) | (309) |
| Adjustment in respect of prior period | 2 | (74) |
| Total tax credit reported in the income statement | (315) | (383) |

The Finance Act 2021, which received Royal Assent on 10 June 2021, increased the corporation tax rate from 19% to 25% from 1 April 2023. Where deferred tax assets and liabilities are expected to unwind after 1 April 2023, they have been revalued to reflect the rate change.

7. Leases

The value of lease receivables as at 25 December 2022 and 26 December 2021 were as follows:

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|--|-----------------------------------|-----------------------------------|
| Property | | |
| Due in less than one year | 41 | 52 |
| Due in more than one year | - | 42 |
| Lease receivables included in the Balance Sheet | 41 | 94 |

The below table shows the maturity analysis of lease liabilities on a discounted basis:

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|--|-----------------------------------|-----------------------------------|
| Due in less than one year | 41 | 52 |
| Due in more than one year | - | 42 |
| Lease liabilities included in the Balance Sheet | 41 | 94 |

Total cash outflows in relation to leases during the period were €56,000 (2021: €56,000). Total cash inflows in relation to leases during the period were €56,000 (2021: €56,000).

8. Trade and other receivables

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|------------------------------------|-----------------------------------|-----------------------------------|
| VAT receivable | 10 | 4 |
| Other receivables | 25 | 25 |
| Amounts owed by group undertakings | 552 | 319 |
| | 587 | 348 |

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

9. Trade and other payables

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|---|-----------------------------------|-----------------------------------|
| <i>Included in current liabilities:</i> | | |
| Other payables | 21 | 31 |
| Amounts owed to group undertakings | 44,308 | - |
| | 44,329 | 31 |

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|---|-----------------------------------|-----------------------------------|
| <i>Included in non-current liabilities:</i> | | |
| Amounts owed to group undertakings | - | 42,479 |

Within amounts owed to group undertakings is a balance of €44,049,000 (2021: €42,479,000) which are repayable on demand if EBITDA of €1.5m is achieved. The loan accrues interest at a rate of 3.5% above EURIBOR.

10. Provisions for liabilities

| | Dilapidation provision €000 | Total €000 |
|----------------------------|-----------------------------------|---------------|
| At 26 December 2021 | 32 | 32 |
| At 25 December 2022 | 32 | 32 |

| | At 25 December 2022 €000 | At 26 December 2021 €000 |
|-------------|-----------------------------------|-----------------------------------|
| Current | 32 | - |
| Non-current | - | 32 |
| | 32 | 32 |

Dilapidation provision

The dilapidation provision relates to the potential dilapidation obligations for one property in Germany. This property is a store which was not transferred to the associate; the store has a subtenant on terms matching the primary lease, and therefore no onerous lease provision is recognised. The lease ends in September 2023 and will be monitored.

11. Called up share capital

Allotted, called up and fully paid share capital

| | At 25 December 2022 | | At 26 December 2021 | |
|-----------------|---------------------|-----|---------------------|-----|
| | Number | £ | Number | £ |
| Ordinary shares | 225 | 225 | 225 | 225 |

The Company's ordinary shares are denominated in Sterling, and the reporting currency is in Euros.

Notes to the financial statements (continued)

52 weeks ended 25 December 2022

12. Ultimate parent company and controlling party

In the opinion of the Directors the immediate parent company and controlling party is Domino's Pizza UK & Ireland Limited incorporated in United Kingdom, which is a wholly owned subsidiary of Domino's Pizza Group plc, the ultimate parent undertaking and controlling party.

The smallest and largest group and for which group financial statements are drawn up, and of which the Company is a member, is Domino's Pizza Group plc. Copies of the financial statements of Domino's Pizza Group plc may be obtained from its registered office, 1 Thornbury, West Ashland, Milton Keynes, Buckinghamshire, MK6 4BB.