

REGISTERED NUMBER: 08131739 (England and Wales)

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 31 December 2017
for
DP Shayban Limited



Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2017

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	7
Consolidated Other Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Consolidated Cash Flow Statement	13
Notes to the Consolidated Cash Flow Statement	14
Notes to the Consolidated Financial Statements	15

DP Shayban Limited

Company Information
for the Year Ended 31 December 2017

DIRECTORS:

S Al-ibrahim
D J Wild

SECRETARIES:

Mrs Z Latif
A J Bushnell

REGISTERED OFFICE:

1 Thornbury
West Ashland
Milton Keynes
United Kingdom
MK6 4BB

REGISTERED NUMBER:

08131739 (England and Wales)

AUDITORS:

McEwan Wallace Limited
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

Group Strategic Report
for the Year Ended 31 December 2017

The directors present their strategic report of the company and the group for the year ended 31 December 2017.

REVIEW OF BUSINESS

During the year the group continued to operate twelve Domino's pizza franchises through DP Shayban Limited as well as opening one new franchise. They also continued to operate 6 Domino's pizza franchises through AKS Partners Limited the 100% owned subsidiary.

During the year the group has seen an increase in sales of 15.00% and an increase in gross profit of 11.80%, with the gross profit percentage having decreased from 34.57% to 33.61%. The business has a healthy cash position despite the cash balance decreasing by around £79,000 in the year. This is due to refurbishing some of its stores.

In the opinion of the directors, the size of the business and the staffing levels are sufficient to deal with the forecast volume of business for the following financial year. Both the level of business and the period end financial position were satisfactory, and the directors expect the present level of activity will continue to increase.

Management accounts are prepared to assess the ongoing performance of the company compared with expectations and prior periods. From these accounts, specific key performance indicators, including turnover and net profitability, are used to assess the performance of the company, and its individual stores.

PRINCIPAL RISKS AND UNCERTAINTIES

Economic and market risks

Changes in the general economic climate, such as those caused by the global "credit crunch" can have a detrimental effect on consumer expenditure and therefore group revenues and although economic growth has been seen in the past year this still poses a risk. However, the group believes that a number of prevailing trends benefit the group's business, including a population with increasingly greater disposable incomes who are cash rich and time poor and an increased trend of busier and more hectic lifestyles leaving less time for home cooking. The group is exposed to fluctuations in food prices particularly.


Regulatory risks

The group's operations are subject to a broad range of regulatory requirements, particularly in relation to planning, health and safety, employment, advertising and licensing laws and in terms of regulations over the group's products and services. The group monitors regulatory developments and has a strong compliance regime.

Consumer taste and perception of the brand

Food service businesses are affected by changes in consumer tastes, national, regional and local economic conditions, local and national competition and demographic trends. Any material change in market perception of the home delivery and convenience food industry, or the Domino's brand in particular, could adversely affect the business of the company. In addition, increasing government and media initiatives to create greater awareness of healthy eating could impact on the public's perception of the convenience food industry. The group recognises the link between a balanced diet, lifestyle and health and therefore provides nutritional information on its website to allow customers to make an informed choice and also offer a reduced fat mozzarella cheese. The group works relentlessly to reflect changes in consumer tastes and improve its offering by investing in price, quality and service in order to deliver the optimum home delivery pizza service to its customers.

ON BEHALF OF THE BOARD:



S Al-ibrahim - Director

31 August 2018

Report of the Directors
for the Year Ended 31 December 2017

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

S Al-ibrahim
D J Wild

EMPLOYMENT POLICY

The group places great emphasis on its employees and has continued its practice of keeping them informed on matters affecting their employment and the financial and economic factors affecting the performance of the group.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue.

It is the policy of the group that training, career development and promotion opportunities should be available to all employees.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

DP Shayban Limited (Registered number: 08131739)

Report of the Directors
for the Year Ended 31 December 2017

AUDITORS

The auditors, McEwan Wallace Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line and a small flourish.

S Al-ibrahim - Director

31 August 2018

Report of the Independent Auditors to the Members of
DP Shayban Limited

Opinion

We have audited the financial statements of DP Shayban Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2017 and of the group's loss for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
DP Shayban Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

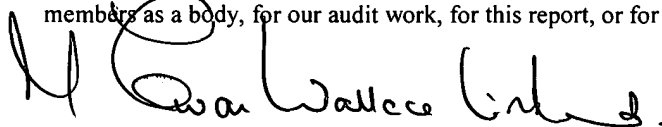
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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



Alastair Gould FCA (Senior Statutory Auditor)
for and on behalf of McEwan Wallace Limited
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

31 August 2018

DP Shayban Limited (Registered number: 08131739)

Consolidated Income Statement
for the Year Ended 31 December 2017

	Notes	31.12.17 £	£	31.12.16 £	£
TURNOVER			18,998,128		16,520,119
Cost of sales			<u>12,612,580</u>		<u>10,808,373</u>
GROSS PROFIT			6,385,548		5,711,746
Distribution costs		27,215		29,363	
Administrative expenses		<u>6,206,008</u>		<u>5,298,930</u>	
			<u>6,233,223</u>		<u>5,328,293</u>
			152,325		383,453
Other operating income			<u>30,736</u>		-
OPERATING PROFIT	4		183,061		383,453
Interest receivable and similar income			<u>148</u>		<u>1,922</u>
			183,209		385,375
Interest payable and similar expenses	5		<u>56,850</u>		<u>75,244</u>
PROFIT BEFORE TAXATION			126,359		310,131
Tax on profit	6		<u>162,596</u>		<u>224,425</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR			<u>(36,237)</u>		<u>85,706</u>
(Loss)/profit attributable to: Owners of the parent			<u>(36,237)</u>		<u>85,706</u>

The notes form part of these financial statements

DP Shayban Limited (Registered number: 08131739)

Consolidated Other Comprehensive Income
for the Year Ended 31 December 2017

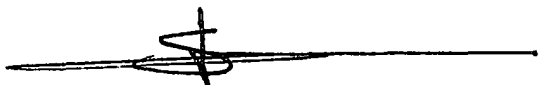
	Notes	31.12.17 £	31.12.16 £
(LOSS)/PROFIT FOR THE YEAR		(36,237)	85,706
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(36,237)</u>	<u>85,706</u>
Total comprehensive income attributable to: Owners of the parent		<u>(36,237)</u>	<u>85,706</u>

The notes form part of these financial statements

Consolidated Balance Sheet
31 December 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Intangible assets	8	3,478,722	4,142,227
Tangible assets	9	2,032,699	1,520,073
Investments	10	-	-
		<u>5,511,421</u>	<u>5,662,300</u>
CURRENT ASSETS			
Stocks	11	121,771	127,135
Debtors	12	473,681	397,371
Cash at bank and in hand		<u>1,098,788</u>	<u>1,177,670</u>
		1,694,240	1,702,176
CREDITORS			
Amounts falling due within one year	13	<u>4,037,205</u>	<u>2,715,994</u>
NET CURRENT LIABILITIES		<u>(2,342,965)</u>	<u>(1,013,818)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,168,456	4,648,482
CREDITORS			
Amounts falling due after more than one year	14	-	(1,450,000)
PROVISIONS FOR LIABILITIES	18	<u>(171,847)</u>	<u>(165,636)</u>
NET ASSETS		<u>2,996,609</u>	<u>3,032,846</u>
CAPITAL AND RESERVES			
Called up share capital	19	6	6
Merger reserve	20	1,470,814	1,770,469
Retained earnings	20	<u>1,525,789</u>	<u>1,262,371</u>
SHAREHOLDERS' FUNDS		<u>2,996,609</u>	<u>3,032,846</u>

The financial statements were approved by the Board of Directors on 31 August 2018 and were signed on its behalf by:



S Al-ibrahim - Director

Company Balance Sheet
31 December 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Intangible assets	8	1,775,331	2,098,162
Tangible assets	9	1,275,204	983,403
Investments	10	<u>3,715,166</u>	<u>3,715,166</u>
		6,765,701	6,796,731
CURRENT ASSETS			
Stocks	11	75,186	84,079
Debtors	12	308,451	253,978
Cash at bank and in hand		<u>785,026</u>	<u>582,404</u>
		1,168,663	920,461
CREDITORS			
Amounts falling due within one year	13	<u>4,417,347</u>	<u>2,935,432</u>
NET CURRENT LIABILITIES		<u>(3,248,684)</u>	<u>(2,014,971)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,517,017	4,781,760
CREDITORS			
Amounts falling due after more than one year	14	-	(1,450,000)
PROVISIONS FOR LIABILITIES	18	<u>(120,203)</u>	<u>(117,472)</u>
NET ASSETS		<u>3,396,814</u>	<u>3,214,288</u>
CAPITAL AND RESERVES			
Called up share capital	19	6	6
Merger reserve	20	1,470,814	1,770,469
Retained earnings	20	<u>1,925,994</u>	<u>1,443,813</u>
SHAREHOLDERS' FUNDS		<u>3,396,814</u>	<u>3,214,288</u>
Company's profit for the financial year		<u>182,526</u>	<u>67,986</u>

The financial statements were approved by the Board of Directors on 31 August 2018 and were signed on its behalf by:



S Al-ibrahim - Director

DP Shayban Limited (Registered number: 08131739)

Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Merger reserve £	Total equity £
Balance at 1 January 2016	6	882,664	2,064,470	2,947,140
Changes in equity				
Total comprehensive income	-	379,707	(294,001)	85,706
Balance at 31 December 2016	6	1,262,371	1,770,469	3,032,846
Changes in equity				
Total comprehensive income	-	263,418	(299,655)	(36,237)
Balance at 31 December 2017	6	1,525,789	1,470,814	2,996,609

The notes form part of these financial statements

DP Shayban Limited (Registered number: 08131739)

Company Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Merger reserve £	Total equity £
Balance at 1 January 2016	6	1,081,826	2,064,470	3,146,302
Changes in equity				
Total comprehensive income	-	361,987	(294,001)	67,986
Balance at 31 December 2016	6	1,443,813	1,770,469	3,214,288
Changes in equity				
Total comprehensive income	-	482,181	(299,655)	182,526
Balance at 31 December 2017	6	1,925,994	1,470,814	3,396,814

The notes form part of these financial statements

DP Shayban Limited (Registered number: 08131739)

Consolidated Cash Flow Statement
for the Year Ended 31 December 2017

	Notes	31.12.17 £	31.12.16 £
Cash flows from operating activities			
Cash generated from operations	1	1,719,839	1,712,035
Interest paid		(54,431)	(75,244)
Interest element of hire purchase payments paid		(2,419)	-
Tax paid		<u>(173,321)</u>	<u>(324,424)</u>
Net cash from operating activities		<u>1,489,668</u>	<u>1,312,367</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(45,954)	(55,461)
Purchase of tangible fixed assets		(889,022)	(1,007,301)
Sale of tangible fixed assets		-	7,159
Interest received		<u>148</u>	<u>1,922</u>
Net cash from investing activities		<u>(934,828)</u>	<u>(1,053,681)</u>
Cash flows from financing activities			
Loan repayments in year		(600,000)	(600,000)
Other loan repayments in year		(10,229)	(28,000)
Capital repayments in year		<u>(23,493)</u>	<u>(6,480)</u>
Net cash from financing activities		<u>(633,722)</u>	<u>(634,480)</u>
Decrease in cash and cash equivalents		<u>(78,882)</u>	<u>(375,794)</u>
Cash and cash equivalents at beginning of year	2	<u>1,177,670</u>	<u>1,553,464</u>
Cash and cash equivalents at end of year	2	<u><u>1,098,788</u></u>	<u><u>1,177,670</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2017

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.17	31.12.16
	£	£
Profit before taxation	126,359	310,131
Depreciation charges	1,126,030	941,093
Loss on disposal of fixed assets	9,170	22,520
Finance costs	56,850	75,244
Finance income	(148)	(1,922)
	<u>1,318,261</u>	<u>1,347,066</u>
Decrease/(increase) in stocks	5,364	(48,907)
Increase in trade and other debtors	(76,310)	(48,159)
Increase in trade and other creditors	<u>472,524</u>	<u>462,035</u>
Cash generated from operations	<u><u>1,719,839</u></u>	<u><u>1,712,035</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u><u>1,098,788</u></u>	<u><u>1,177,670</u></u>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u><u>1,177,670</u></u>	<u><u>1,553,464</u></u>

1. STATUTORY INFORMATION

DP Shayban Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The group financial statements incorporate the financial statements of DP Shayban Limited ('the Company') and entities controlled by the Company (its 'subsidiaries') made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess off the consideration transferred and the acquisition date fair value of any previous equity interest in the acquire over the fair value of the Group's share of the identifiable assets acquired is recorded as goodwill.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changes where necessary to ensure consistency with the policies adopted by the Group.

DP Shayban Limited, when preparing the Group financial statements, have not prepared individual Statement of Comprehensive Income or individual Cash Flow Statement, as permitted by Sections 9.13 and 9.23A of FRS 102, and Section 404 (1) of the Companies Act 2016.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future.

The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below;

When an asset is purchased it is categorised into an asset class, the depreciation policy of each class estimates the economic life of all assets within the class.

The depreciation policy of each asset class is determined by management and reviewed regularly for appropriateness. The depreciation policy adopted is based on historical experience as well as considering the future events which may impact the useful economic life of all assets within each class, such as changes in market demands.

In addition FRS 102 requires an entity to assess at each reporting date whether there is any indication that assets within a class may be impaired i.e. the recoverable amount of the asset is less than the carrying amount. If any such indication exists, management are required to estimate the recoverable amount of the individual assets concerned.

Management judgement is applied to determine if revenue and costs should be recognised in the current period.

Turnover

Turnover represents the amount derived from ordinary activities, and stated after trade discounts, VAT and any other sales taxes.

Turnover is recognised on the day the food was purchased.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses in 2013, was amortised over 5 years in its first year. Goodwill is now being amortised evenly over its estimated useful life of 10 years.

Patents and licences

Patents and licences are amortised over five years straight line.

Computer software

Computer software is amortised at 20% reducing balance.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- 10% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

Stocks

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, accruals and prepayments.

Financial instruments are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Income Statement.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	31.12.17	31.12.16
	£	£
Wages and salaries	5,783,259	5,033,404
Social security costs	247,218	220,270
Other pension costs	10,668	11,071
	<u>6,041,145</u>	<u>5,264,745</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

3. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	31.12.17	31.12.16
Store	<u>637</u>	<u>542</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 637 (2016 - 542).

	31.12.17	31.12.16
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.17	31.12.16
	£	£
Other operating leases	27,215	29,363
Depreciation - owned assets	399,431	245,886
Depreciation - assets on hire purchase contracts	17,140	-
Loss on disposal of fixed assets	9,170	22,520
Goodwill amortisation	684,541	678,053
Patents and licences amortisation	18,262	15,238
Computer software amortisation	6,656	1,917
Auditors' remuneration	<u>24,750</u>	<u>24,750</u>

The analysis of auditors remuneration is as follows:

	31.12.17	31.12.16
	£	£
Audit work	18,950	18,950
Taxation work	5,800	5,800

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.17	31.12.16
	£	£
Bank interest	-	2
Bank loan interest	-	1,119
Loan	54,431	74,123
Hire purchase	<u>2,419</u>	<u>-</u>
	<u>56,850</u>	<u>75,244</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.17 £	31.12.16 £
Current tax:		
UK corporation tax	163,393	179,539
Under/over provision of tax	<u>(7,008)</u>	<u>(1)</u>
Total current tax	156,385	179,538
Deferred tax	<u>6,211</u>	<u>44,887</u>
Tax on profit	<u><u>162,596</u></u>	<u><u>224,425</u></u>

UK corporation tax has been charged at 19.25% (2016 - 20%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.17 £	31.12.16 £
Profit before tax	<u>126,359</u>	<u>310,131</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	24,324	62,026
Effects of:		
Expenses not deductible for tax purposes	130,109	131,648
Depreciation in excess of capital allowances	15,171	30,752
Adjustments to tax charge in respect of previous periods	<u>(7,008)</u>	<u>(1)</u>
Total tax charge	<u><u>162,596</u></u>	<u><u>224,425</u></u>

7. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Patents and licences £	Computer software £	Totals £
COST				
At 1 January 2017	7,154,352	143,962	33,961	7,332,275
Additions	-	22,500	23,454	45,954
At 31 December 2017	<u>7,154,352</u>	<u>166,462</u>	<u>57,415</u>	<u>7,378,229</u>
AMORTISATION				
At 1 January 2017	3,078,600	109,531	1,917	3,190,048
Amortisation for year	<u>684,541</u>	<u>18,262</u>	<u>6,656</u>	<u>709,459</u>
At 31 December 2017	<u>3,763,141</u>	<u>127,793</u>	<u>8,573</u>	<u>3,899,507</u>
NET BOOK VALUE				
At 31 December 2017	<u>3,391,211</u>	<u>38,669</u>	<u>48,842</u>	<u>3,478,722</u>
At 31 December 2016	<u>4,075,752</u>	<u>34,431</u>	<u>32,044</u>	<u>4,142,227</u>

Company

	Goodwill £	Patents and licences £	Computer software £	Totals £
COST				
At 1 January 2017	3,809,528	93,712	33,961	3,937,201
Additions	-	22,500	23,454	45,954
At 31 December 2017	<u>3,809,528</u>	<u>116,212</u>	<u>57,415</u>	<u>3,983,155</u>
AMORTISATION				
At 1 January 2017	1,777,842	59,280	1,917	1,839,039
Amortisation for year	<u>343,867</u>	<u>18,262</u>	<u>6,656</u>	<u>368,785</u>
At 31 December 2017	<u>2,121,709</u>	<u>77,542</u>	<u>8,573</u>	<u>2,207,824</u>
NET BOOK VALUE				
At 31 December 2017	<u>1,687,819</u>	<u>38,670</u>	<u>48,842</u>	<u>1,775,331</u>
At 31 December 2016	<u>2,031,686</u>	<u>34,432</u>	<u>32,044</u>	<u>2,098,162</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

9. **TANGIBLE FIXED ASSETS**

Group

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2017	36,952	220,739	2,342,365
Additions	-	-	871,232
Disposals	-	(77,624)	(58,836)
At 31 December 2017	<u>36,952</u>	<u>143,115</u>	<u>3,154,761</u>
DEPRECIATION			
At 1 January 2017	14,953	171,554	951,335
Charge for year	3,756	8,827	360,520
Eliminated on disposal	-	(71,862)	(55,428)
At 31 December 2017	<u>18,709</u>	<u>108,519</u>	<u>1,256,427</u>
NET BOOK VALUE			
At 31 December 2017	<u>18,243</u>	<u>34,596</u>	<u>1,898,334</u>
At 31 December 2016	<u>21,999</u>	<u>49,185</u>	<u>1,391,030</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2017	88,466	154,436	2,842,958
Additions	67,135	-	938,367
Disposals	-	-	(136,460)
At 31 December 2017	<u>155,601</u>	<u>154,436</u>	<u>3,644,865</u>
DEPRECIATION			
At 1 January 2017	42,490	142,553	1,322,885
Charge for year	35,553	7,915	416,571
Eliminated on disposal	-	-	(127,290)
At 31 December 2017	<u>78,043</u>	<u>150,468</u>	<u>1,612,166</u>
NET BOOK VALUE			
At 31 December 2017	<u>77,558</u>	<u>3,968</u>	<u>2,032,699</u>
At 31 December 2016	<u>45,976</u>	<u>11,883</u>	<u>1,520,073</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

9. **TANGIBLE FIXED ASSETS - continued**

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	<u>49,345</u>
At 31 December 2017	<u>49,345</u>
DEPRECIATION	
Charge for year	<u>17,140</u>
At 31 December 2017	<u>17,140</u>
NET BOOK VALUE	
At 31 December 2017	<u><u>32,205</u></u>

Company

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2017	36,952	1,475,697	65,584	1,578,233
Additions	<u>-</u>	<u>527,920</u>	<u>-</u>	<u>527,920</u>
At 31 December 2017	<u>36,952</u>	<u>2,003,617</u>	<u>65,584</u>	<u>2,106,153</u>
DEPRECIATION				
At 1 January 2017	14,953	557,756	22,121	594,830
Charge for year	<u>3,756</u>	<u>221,319</u>	<u>11,044</u>	<u>236,119</u>
At 31 December 2017	<u>18,709</u>	<u>779,075</u>	<u>33,165</u>	<u>830,949</u>
NET BOOK VALUE				
At 31 December 2017	<u><u>18,243</u></u>	<u><u>1,224,542</u></u>	<u><u>32,419</u></u>	<u><u>1,275,204</u></u>
At 31 December 2016	<u><u>21,999</u></u>	<u><u>917,941</u></u>	<u><u>43,463</u></u>	<u><u>983,403</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

10. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 January 2017 and 31 December 2017	<u>3,715,166</u>
NET BOOK VALUE	
At 31 December 2017	<u>3,715,166</u>
At 31 December 2016	<u>3,715,166</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

AKS Partners Limited

Registered office: 1 Thornbury, West Ashland, Milton Keynes, MK6 4BB

Nature of business: Take-away food shops and mobile food stands

	% holding	31.12.17 £	31.12.16 £
Class of shares:			
Ordinary A	100.00	1,611,465	1,489,552
Ordinary C	100.00	<u>121,913</u>	<u>358,393</u>
Aggregate capital and reserves			
Profit for the year			

DP Beach A Limited

Registered office: 1 Thornbury, West Ashland, Milton Keynes, MK6 4BB

Nature of business: Dormant

	% holding	31.12.17 £	31.12.16 £
Class of shares:			
Ordinary	100.00	<u>1</u>	<u>1</u>
Aggregate capital and reserves			

DP Beach B Limited

Registered office: 1 Thornbury, West Ashland, Milton Keynes, MK6 4BB

Nature of business: Dormant

	% holding	31.12.17 £	31.12.16 £
Class of shares:			
Ordinary	100.00	<u>1</u>	<u>1</u>
Aggregate capital and reserves			

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

10. **FIXED ASSET INVESTMENTS - continued**

Zens Limited

Registered office: 23 Neptune Court, Vanguard Way, Cardiff, Wales, CF24 5PJ

Nature of business: Dormant

	% holding	31.5.18	31.5.17
Class of shares:			
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>2</u>	<u>2</u>

Mesan Limited

Registered office: 23 Neptune Court, Vanguard Way, Cardiff, Wales, CF24 5PJ

Nature of business: Dormant

	% holding	31.5.18	31.5.17
Class of shares:			
Ordinary	51.00	£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

The remaining 49% shareholding is owned by Zens Limited.

Dijla Newport Limited

Registered office: 23 Neptune Court, Vanguard Way, Cardiff, Wales, CF24 5PJ

Nature of business: Dormant

	% holding	31.5.18	31.5.17
Class of shares:			
Ordinary	51.00	£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

The remaining 49% shareholding is owned by Zens Limited.

11. **STOCKS**

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Stocks	<u>121,771</u>	<u>127,135</u>	<u>75,186</u>	<u>84,079</u>

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Other debtors	277,359	257,517	185,701	160,975
Intercompany	21,377	17,456	19,269	15,046
Prepayments	<u>174,945</u>	<u>122,398</u>	<u>103,481</u>	<u>77,957</u>
	<u>473,681</u>	<u>397,371</u>	<u>308,451</u>	<u>253,978</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Bank loans and overdrafts (see note 15)	1,450,000	600,000	1,450,000	600,000
Other loans (see note 15)	-	10,229	-	10,229
Hire purchase contracts (see note 16)	25,852	-	-	-
Trade creditors	868,763	665,667	644,696	303,180
Tax	162,603	179,539	114,487	78,132
Social security and other taxes	48,932	54,009	38,510	36,637
VAT	506,143	422,236	278,765	249,491
Intercompany	173,293	30,846	1,230,911	1,070,780
Other creditors	12,214	10,823	11,486	9,059
Domino's Pizza Group plc loan	461,550	450,879	461,550	450,879
Net wages	91,259	199,906	30,422	69,394
Accrued expenses	236,596	91,860	156,520	57,651
	<u>4,037,205</u>	<u>2,715,994</u>	<u>4,417,347</u>	<u>2,935,432</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Bank loans (see note 15)	<u>-</u>	<u>1,450,000</u>	<u>-</u>	<u>1,450,000</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	1,450,000	600,000	1,450,000	600,000
Other loans	<u>-</u>	<u>10,229</u>	<u>-</u>	<u>10,229</u>
	<u>1,450,000</u>	<u>610,229</u>	<u>1,450,000</u>	<u>610,229</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>-</u>	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>-</u>	<u>850,000</u>	<u>-</u>	<u>850,000</u>

On 7th February 2018 the bank loan was repaid in full by a new loan taken out over three years.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	31.12.17	31.12.16
	£	£
Gross obligations repayable:		
Within one year	<u>26,658</u>	<u>-</u>
Finance charges repayable:		
Within one year	<u>806</u>	<u>-</u>
Net obligations repayable:		
Within one year	<u><u>25,852</u></u>	<u><u>-</u></u>

Group

	Non-cancellable operating leases	
	31.12.17	31.12.16
	£	£
Within one year	481,215	354,159
Between one and five years	1,790,756	1,377,026
In more than five years	<u>3,549,591</u>	<u>2,325,900</u>
	<u><u>5,821,562</u></u>	<u><u>4,057,085</u></u>

Company

	Non-cancellable operating leases	
	31.12.17	31.12.16
	£	£
Within one year	278,440	232,040
Between one and five years	1,094,718	942,098
In more than five years	<u>2,149,952</u>	<u>1,900,067</u>
	<u><u>3,523,110</u></u>	<u><u>3,074,205</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Bank loans	1,450,000	2,050,000	1,450,000	2,050,000
Hire purchase contracts	25,852	-	-	-
	<u>1,475,852</u>	<u>2,050,000</u>	<u>1,450,000</u>	<u>2,050,000</u>

On 29 July 2013 a cross guarantee and debenture between AKS Partners Limited and DP Shayban Limited was created on the bank loan.

Hire purchase creditors are secured on the assets concerned.

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.17	31.12.16	31.12.17	31.12.16
	£	£	£	£
Deferred tax	<u>171,847</u>	<u>165,636</u>	<u>120,203</u>	<u>117,472</u>

Group

	Deferred tax
	£
Balance at 1 January 2017	165,636
Origination and movement of timing differences	6,211
	<u>171,847</u>
Balance at 31 December 2017	

Company

	Deferred tax
	£
Balance at 1 January 2017	117,472
Origination and movement of timing differences	2,731
	<u>120,203</u>
Balance at 31 December 2017	

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2017

19. CALLED UP SHARE CAPITAL

Allotted and issued:		Nominal value:	31.12.17 £	31.12.16 £
Number:	Class:			
300	Ordinary A	0.01	3	3
300	Ordinary B	0.01	3	3
			<u>6</u>	<u>6</u>

All shares have the same voting rights, it is the rights to dividends that vary.

20. RESERVES

Group

	Retained earnings £	Merger reserve £	Totals £
At 1 January 2017	1,262,371	1,770,469	3,032,840
Deficit for the year	(36,237)		(36,237)
Transfer from merger reserve	299,655	(299,655)	-
At 31 December 2017	<u>1,525,789</u>	<u>1,470,814</u>	<u>2,996,603</u>

Company

	Retained earnings £	Merger reserve £	Totals £
At 1 January 2017	1,443,813	1,770,469	3,214,282
Profit for the year	182,526		182,526
Transfer from merger reserve	299,655	(299,655)	-
At 31 December 2017	<u>1,925,994</u>	<u>1,470,814</u>	<u>3,396,808</u>

The movement on the merger reserve reflects the amortisation of goodwill written off on the assets hived up from subsidiary companies.

21. RELATED PARTY DISCLOSURES

The company was jointly controlled throughout the year by Domino's Pizza Group Plc, Shayban Al-Ibrahim and Zainab Latif.

The company was related to the following entities by common control, at the year end DP Shayban Limited owed the companies;

	2017	2016
Dijla Limited	£173,293	£30,846

The following companies are also related to DP Shayban Limited by common control, at the year end the companies owed DP Shayban Limited;

	2017	2016
Shorja Limited	£20,767	£15,044
Axa Trading Limited	£608	£2,411

At the year end DP Shayban Limited owed Domino's Pizza Group plc, shareholder, loans of £461,550 (2016 - £461,108).

At the year end Shayban Al Ibrahim, Director, owed the company £1(2016 - £1).

During the year royalties paid, service charges and purchases from Domino's Pizza Group plc (Shareholder) totalled £8,189,947 (2016 - £6,847,070).

During the year management charges totalling £368,900 (2016 - £196,388) were paid to Dijla Limited, a company in which Shayban Al-Ibrahim (Director) is the majority shareholder.

22. ULTIMATE CONTROLLING PARTY

DP Shayban Limited is operated as a joint venture with no party having overall control.