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REGISTERED NUMBER: 08131752 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements for the Period 1 January 2018 to 30 December 2018**
for
Domino's Pizza West Country Limited

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for the Period 1 January 2018 to 30 December 2018**

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Domino's Pizza West Country Limited

**Company Information
for the Period 1 January 2018 to 30 December 2018**

DIRECTORS:

Mr D Rose
Mr G Rose
Mr D J Wild
Mr A J Bushnell
Mr D G Bauernfeind

SECRETARY:

Mr A J Bushnell

REGISTERED OFFICE:

1 Thornbury
West Ashland
Milton Keynes
MK6 4BB

REGISTERED NUMBER:

08131752 (England and Wales)

AUDITORS:

Parcell & Associates
Aldreth
Pearcroft Road
Stonehouse
Gloucestershire
GL10 2JY

**Strategic Report
for the Period 1 January 2018 to 30 December 2018**

The directors present their strategic report for the period 1 January 2018 to 30 December 2018.

REVIEW OF BUSINESS

The company operates 11 stores and 2 mobile units, it also employs over 400 staff. The company has traded fairly successfully in the year, however sales have decreased both overall and on a like for like basis. Increases in both food and staff cost has meant that profits before tax have decreased. Profits before tax in 2018 amounted to £466,000 compared with £751,000 in 2017.

KEY PERFORMANCE INDICATORS

Sales growth has been mixed across the company's stores, especially where part of a store's catchment area was allocated to another store. The overall decrease in sales was 2.19%, and in like for like terms was 6.18%. Overheads have increased slightly over the period. Costs have also increased in areas such as wages and the purchasing of food, meaning that gross profit as a percentage of sales has dropped by 1.28%. The strength of the balance sheet has decreased slightly during the year, net assets amount to £5,689,000, compared with £5,715,000 last year. The business cash-flow is healthy and the company is able to meet all liabilities.

FUTURE DEVELOPMENTS

The company plans to continue its program of improving its stores. It also intends to acquire more stores when the opportunity arises.

**Strategic Report
for the Period 1 January 2018 to 30 December 2018**

PRINCIPAL RISKS AND UNCERTAINTIES

Economic risk:

Following some very challenging economic times, we are cautiously optimistic about the economic outlook. Customer confidence appears to be rising and unemployment rates continue to fall. A cautious approach is still needed as real disposable income is declining over the longer term as the cost of living increases, despite interest rates remaining at historical low. Food prices continue to rise, which will remain an area of concern for the company due to the detrimental effect on profit margins.

Regulatory risks:

The companies operations require compliance with a wide range of regulatory requirements. In particular -

- * health and safety
- * hygiene procedures
- * employment
- * licensing

The above, along with a number of other areas, are monitored in detail as being in the fast food industry brings a high level of regulatory concerns.

Consumer taste:

Any material change in the way the consumer views the pizza delivery industry could have an adverse affect on the company. However, this can also work in the opposite way and could assist the company to achieve growth. As a result the company focuses, in detail, on recognising demographic trends, ensuring innovation and ensuring that the company only use the freshest and highest quality products through it stores.

Competitors:

The fast food market is a very competitive market, with a high number of large competitors trading in the sector. In order to remain as one of the main players, Dominos have dedicated teams who focus on ensuring Dominos is the leading company in the market. This will allow them to compete with other large fast food chains.

ON BEHALF OF THE BOARD:



Mr G Rose - Director

24 April 2019

**Report of the Directors
for the Period 1 January 2018 to 30 December 2018**

The directors present their report with the financial statements of the company for the period 1 January 2018 to 30 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the operation of Domino's franchised restaurants

DIVIDENDS

The following interim dividends were paid in the year:

A Ordinary shares

06 April 2018 - £900.00 per share

B Ordinary shares

06 April 2018 - £900.00 per share

The total distribution of dividends for the period ended December 30th 2018 will be £360,000.

RESEARCH AND DEVELOPMENT

The company does not carry out any independent research and development. However the franchisor, Domino's Pizza UK & Ireland Limited, carries out its own research and development on behalf of all franchisees. The company makes a contribution towards this through its existing payments to the franchisor.

DIRECTORS

The directors who have held office during the period from 01 January 2018 to the date of this report are as follows:

Mr D Rose
Mr G Rose
Ms R Osborne
Mr D Wild

EMPLOYMENT OF DISABLED PERSONS

The company operates a policy of giving full & fair consideration to employment applications from disabled persons.

PROVISION OF INFORMATION TO EMPLOYEES

The company has a system for providing employees with information of concern to them. It also consults employees on a regular basis so that their views can be taken into account in making decisions affecting them. It regularly explains to employees the financial and economic factors affecting the performance of the company and makes them aware of the provision of training, career development and employment of disabled employees.

**Report of the Directors
for the Period 1 January 2018 to 30 December 2018**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Parcell & Associates, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr G Rose - Director

24 April 2019

Report of the Independent Auditors to the Members of Domino's Pizza West Country Limited

Opinion

We have audited the financial statements of Domino's Pizza West Country Limited (the 'company') for the period ended 30 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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 company's affairs as at 30 December 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company 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 company'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 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.

Report of the Independent Auditors to the Members of Domino's Pizza West Country Limited

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 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 Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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 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.

**Report of the Independent Auditors to the Members of
Domino's Pizza West Country Limited**

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.



Nicholas Parcell (Senior Statutory Auditor)
for and on behalf of Parcell & Associates
Aldreth
Pearcroft Road
Stonehouse
Gloucestershire
GL10 2JY

24 April 2019

Domino's Pizza West Country Limited (Registered number: 08131752)

**Income Statement
for the Period 1 January 2018 to 30 December 2018**

	Notes	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
TURNOVER		11,844,178	12,109,589
Cost of sales		4,437,443	4,381,513
GROSS PROFIT		7,406,735	7,728,076
Administrative expenses		6,932,948	6,962,834
OPERATING PROFIT	4	473,787	765,242
Interest payable and similar expenses	5	(7,318)	(13,802)
PROFIT BEFORE TAXATION		466,469	751,440
Tax on profit	6	133,086	191,361
PROFIT FOR THE FINANCIAL PERIOD		333,383	560,079

The notes form part of these financial statements

Domino's Pizza West Country Limited (Registered number: 08131752)

**Other Comprehensive Income
for the Period 1 January 2018 to 30 December 2018**

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Notes		
PROFIT FOR THE PERIOD	333,383	560,079
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>333,383</u>	<u>560,079</u>

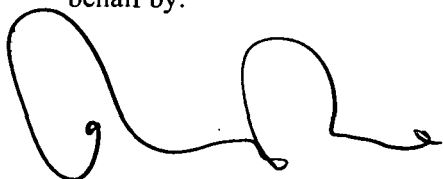
The notes form part of these financial statements

Domino's Pizza West Country Limited (Registered number: 08131752)

**Balance Sheet
30 December 2018**

	Notes	30.12.18		31.12.17	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		3,347,136		3,586,563
Tangible assets	9		944,911		978,942
Investments	10		-		-
			<hr/>		<hr/>
			4,292,047		4,565,505
CURRENT ASSETS					
Stocks	11	59,632		68,371	
Debtors	12	525,234		215,344	
Cash at bank and in hand		2,453,147		2,851,586	
		<hr/>		<hr/>	
		3,038,013		3,135,301	
CREDITORS					
Amounts falling due within one year	13	1,513,911		1,855,654	
		<hr/>		<hr/>	
NET CURRENT ASSETS			1,524,102		1,279,647
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,816,149		5,845,152
PROVISIONS FOR LIABILITIES	16		126,982		129,368
			<hr/>		<hr/>
NET ASSETS			5,689,167		5,715,784
			<hr/> <hr/>		<hr/> <hr/>
CAPITAL AND RESERVES					
Called up share capital	17		4		4
Share premium	18		5,048,798		5,048,798
Retained earnings	18		640,365		666,982
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			5,689,167		5,715,784
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Directors on 24 April 2019 and were signed on its behalf by:



Mr G Rose - Director

The notes form part of these financial statements

Domino's Pizza West Country Limited (Registered number: 08131752)

**Statement of Changes in Equity
for the Period 1 January 2018 to 30 December 2018**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 26 December 2016	4	906,903	5,048,798	5,955,705
Changes in equity				
Dividends	-	(800,000)	-	(800,000)
Total comprehensive income	-	560,079	-	560,079
Balance at 31 December 2017	4	666,982	5,048,798	5,715,784
Changes in equity				
Dividends	-	(360,000)	-	(360,000)
Total comprehensive income	-	333,383	-	333,383
Balance at 30 December 2018	4	640,365	5,048,798	5,689,167

The notes form part of these financial statements

Domino's Pizza West Country Limited (Registered number: 08131752)

**Cash Flow Statement
for the Period 1 January 2018 to 30 December 2018**

		Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	809,667	1,412,066
Interest paid		(7,318)	(13,802)
Tax paid		(30,576)	(468,404)
		<hr/>	<hr/>
Net cash from operating activities		771,773	929,860
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(3,750)
Purchase of tangible fixed assets		(189,133)	(454,549)
Sale of tangible fixed assets		-	12,000
		<hr/>	<hr/>
Net cash from investing activities		(189,133)	(446,299)
		<hr/>	<hr/>
Cash flows from financing activities			
Amount introduced by directors		180,000	450,000
Amount withdrawn by directors		(388,579)	(521,799)
Loans from participating interest		(412,500)	68,956
Equity dividends paid		(360,000)	(800,000)
		<hr/>	<hr/>
Net cash from financing activities		(981,079)	(802,843)
		<hr/>	<hr/>
Decrease in cash and cash equivalents		(398,439)	(319,282)
Cash and cash equivalents at beginning of period	2	2,851,586	3,170,868
		<hr/>	<hr/>
Cash and cash equivalents at end of period	2	2,453,147	2,851,586
		<hr/>	<hr/>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Period 1 January 2018 to 30 December 2018**

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

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Profit before taxation	466,469	751,440
Depreciation charges	462,591	492,905
Loss on disposal of fixed assets	-	8,461
Finance costs	7,318	13,802
	<hr/>	<hr/>
	936,378	1,266,608
Decrease/(increase) in stocks	8,739	(12,141)
(Increase)/decrease in trade and other debtors	(83,406)	84,118
(Decrease)/increase in trade and other creditors	(52,044)	73,481
	<hr/>	<hr/>
Cash generated from operations	809,667	1,412,066
	<hr/>	<hr/>

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:

Period ended 30 December 2018

	30.12.18 £	1.1.18 £
Cash and cash equivalents	2,453,147	2,851,586
	<hr/>	<hr/>

Period ended 31 December 2017

	31.12.17 £	26.12.16 £
Cash and cash equivalents	2,851,586	3,170,868
	<hr/>	<hr/>

**Notes to the Financial Statements
for the Period 1 January 2018 to 30 December 2018**

1. STATUTORY INFORMATION

Domino's Pizza West Country 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 Company 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.

Preparation of consolidated financial statements

The financial statements contain information about Domino's Pizza West Country Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken the option under Section 402, sub section 405 (2) of the Companies Act 2006 not to prepare consolidated financial statements. The exemption applies as none of the three subsidiary undertakings are deemed to be material as individuals or as a whole. All three companies are dormant.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings, represents any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired.

Goodwill is being written off over twenty years on the basis that the company has the option, as stipulated in its franchise agreements, to renew the existing franchises for further ten year terms at the end of the initial ten year term. As the directors are likely to take up the option and due to the company being in a good standing with regards the terms of the franchise agreement, the directors believe amortisation over the full 20 years reflects the likely consumption of economic benefits.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- at varying rates on cost
Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- at varying rates 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 Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the 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 period 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

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

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

2. ACCOUNTING POLICIES - continued

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated 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 each asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted cost of the future holiday entitlement so accrued at the Balance Sheet date.

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares

For financial assets measured at amortised cost, the impairment cost is measured at the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the assets effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract

For assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument

Dividends

Equity dividends are recognised when they legally become payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies, management are required to make certain estimates and judgements. The key estimates and judgements are as follows:

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and has concluded that asset lives and residual values are appropriate

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

3. EMPLOYEES AND DIRECTORS

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Wages and salaries	3,755,522	3,592,382
Social security costs	151,855	146,035
Other pension costs	17,920	4,202
	<u>3,925,297</u>	<u>3,742,619</u>

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

	Period 1.1.18 to 30.12.18	Period 26.12.16 to 31.12.17
Hourly staff	465	366
Salaried staff	17	13
	<u>482</u>	<u>379</u>

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Directors' remuneration	<u>107,732</u>	<u>117,792</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Hire of plant and machinery	21,929	17,316
Other operating leases	230,821	303,027
Depreciation - owned assets	223,164	253,759
Loss on disposal of fixed assets	-	8,461
Goodwill amortisation	239,427	239,146
Auditors' remuneration	10,000	10,000
Other non- audit services	<u>4,849</u>	<u>6,165</u>

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Other interest	7,318	13,802

6. TAXATION

Analysis of the tax charge

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

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Current tax:		
UK corporation tax	135,472	188,853
Deferred tax	(2,386)	2,508
Tax on profit	133,086	191,361

UK corporation tax has been charged at 19% (2017 - 19.26%).

Reconciliation of total tax charge included in profit and loss

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

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Profit before tax	466,469	751,440
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.260%)	88,629	144,727
Effects of:		
Expenses not deductible for tax purposes	1,079	833
Depreciation in excess of capital allowances	45,764	43,293
Deferred tax charge	(2,386)	2,508
Total tax charge	133,086	191,361

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

7. DIVIDENDS

	Period 1.1.18 to 30.12.18 £	Period 26.12.16 to 31.12.17 £
Ordinary A shares of 1p each Interim	180,000	400,000
Ordinary B shares of 1p each Interim	180,000	400,000
	<u>360,000</u>	<u>800,000</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2018 and 30 December 2018	<u>5,047,049</u>
AMORTISATION	
At 1 January 2018	1,460,486
Amortisation for period	<u>239,427</u>
At 30 December 2018	<u>1,699,913</u>
NET BOOK VALUE	
At 30 December 2018	<u>3,347,136</u>
At 31 December 2017	<u>3,586,563</u>

Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2018	35,838	1,015,710	864,429	70,628	1,986,605
Additions	1,257	75,476	103,984	8,416	189,133
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2018	37,095	1,091,186	968,413	79,044	2,175,738
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 January 2018	14,775	695,910	260,968	36,010	1,007,663
Charge for period	3,720	109,806	93,710	15,928	223,164
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 December 2018	18,495	805,716	354,678	51,938	1,230,827
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 30 December 2018	18,600	285,470	613,735	27,106	944,911
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	21,063	319,800	603,461	34,618	978,942
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

10. FIXED ASSET INVESTMENTS

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

DAHT Limited

Country of incorporation: England & Wales

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.17	25.12.16
		£	£
Aggregate capital and reserves		100	100

D A Hall Limited

Country of incorporation: England & Wales

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.17	25.12.16
		£	£
Aggregate capital and reserves		100	100

MLS Limited

Country of incorporation: England & Wales

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.17	25.12.16
		£	£
Aggregate capital and reserves		100	100

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

11. STOCKS

	30.12.18	31.12.17
	£	£
Stocks	<u>59,632</u>	<u>68,371</u>
Analysis of stock	30.12.18	31.12.17
	£	£
Food	<u>59,632</u>	<u>68,371</u>
	<u>60</u>	<u>68,371</u>

Stock recognised in cost of sales during the year as an expense was £3,773,330 (2017: £3,690,633)

An impairment loss of £nil (2017: £nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.18	31.12.17
	£	£
Trade debtors	120,713	2,047
Amounts owed by participating interests	24,854	-
Other debtors	-	16,622
Directors' current accounts	201,630	-
Prepayments	<u>178,037</u>	<u>196,675</u>
	<u>525,234</u>	<u>215,344</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.12.18	31.12.17
	£	£
Trade creditors	332,601	425,619
Amounts owed to group undertakings	180,300	400,300
Amounts owed to participating interests	-	167,646
Corporation tax	137,176	32,280
Social security and other taxes	61,851	16,004
VAT	402,787	426,592
Other creditors	364,815	335,369
Directors' current accounts	-	6,949
Accruals and deferred income	<u>34,381</u>	<u>44,895</u>
	<u>1,513,911</u>	<u>1,855,654</u>

Domino's Pizza West Country Limited (Registered number: 08131752)

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.12.18	31.12.17
	£	£
Within one year	216,738	216,738
Between one and five years	707,630	866,950
In more than five years	504,961	3,850,950
	<u>1,429,329</u>	<u>4,934,638</u>

Lease payments recognised as an expense in the year totalled £230,821 (2017: £303,027).

15. FINANCIAL INSTRUMENTS

Financial Assets	30.12.18	31.12.17
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>2,573,859</u>	<u>2,870,256</u>
	<u>2,573,859</u>	<u>2,870,256</u>
 Financial Liabilities	 <u>1,285,614</u>	 <u>1,380,778</u>
	<u>1,285,614</u>	<u>1,380,778</u>

16. PROVISIONS FOR LIABILITIES

	30.12.18	31.12.17
	£	£
Deferred tax	<u>126,982</u>	<u>129,368</u>
		Deferred tax
		£
Balance at 1 January 2018		129,368
Utilised during period		<u>(2,386)</u>
Balance at 30 December 2018		<u>126,982</u>

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.12.18	31.12.17
			£	£
200	Ordinary A	1p	2	2
200	Ordinary B	1p	2	2
			<u>4</u>	<u>4</u>

18. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 January 2018	666,982	5,048,798	5,715,780
Profit for the period	333,383		333,383
Dividends	(360,000)		(360,000)
	<u>640,365</u>	<u>5,048,798</u>	<u>5,689,163</u>
At 30 December 2018			

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the periods ended 30 December 2018 and 31 December 2017:

	30.12.18	31.12.17
	£	£
Mr D Rose		
Balance outstanding at start of period	-	-
Amounts advanced	201,630	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	<u>201,630</u>	<u>-</u>

During the year the company committed to a 20 year lease agreement on a property owned by Mr and Mrs David Rose. The annual rent charged is £24,000.

The directors loan was repaid in April 2019. Interest has been paid to the company at a HMRC approved rate

**Notes to the Financial Statements - continued
for the Period 1 January 2018 to 30 December 2018**

20. RELATED PARTY DISCLOSURES

The company acquired goods and services from Domino's Pizza UK & Ireland Limited in the year totalling £5,374,211 (2017-£5,145,183). Included in creditors is £660,296 (2017-£728,939) owed to Domino's Pizza Group Plc.

21. ULTIMATE CONTROLLING PARTY

The company is a joint venture between Domino's Pizza Group plc and Mr and Mrs David Rose. The two parties to the joint venture each own 50% of the share capital and have joint control through voting rights as well as being party to the joint venture agreement. This ensures that strategic, financial and operational decisions relating to the joint venture activities require the unanimous consent of the two joint venture parties.