

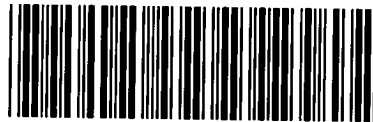
Registration number SC319308 (Scotland)

SMITHS PIZZA COMPANY LIMITED

Directors' report and financial statements

Year ended 30 June 2016

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SMITHS PIZZA COMPANY LIMITED

Company information

Directors	Haitham Alani	Appointed 16 May 2016
Company number	SC319308	
Incorporated in Scotland		
Registered office	Skerrols House Bridgend Isle Of Islay Scotland PA44 7PF	
Auditors	Adrian C Mansbridge & Co Chartered Certified Accountants & Statutory Auditors 28 Watford Road Northwood Middlesex England HA6 3NT	

SMITHS PIZZA COMPANY LIMITED

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Smiths Pizza Company Limited
Strategic report
Year ended 30 June 2016

Principal activity

The company operates pizza take away and delivery restaurants around the UK.

Business Review

Dividend income increased by 73% whilst profit before tax increased by 21% as compared with the previous year.

This company is a non-trading holding company. Its risk is its dependence on its trading subsidiary as all its income is derived from dividends or management fees or both.

Below are the risks for the trading subsidiary:

Risk and Uncertainties

Effective risk management is critical to the achievement of our business objectives. Risk management controls are integrated into all levels of our business and are subject to continuous review to assess and mitigate business risks.

In the opinion of the Board, the following risks constitute the principal risks and uncertainties currently facing the company

Food safety and regulation

Food contamination and matters related to product integrity could lead to regulatory penalties and may cause reputational damage. To mitigate this risk, the business has strict policies and procedures on product quality and undertakes extensive quality control testing to ensure product conformance.

Operational disruption

A major equipment disruption at the operating sites could lead to a significant interruption in production impacting service levels. The business has developed suitable business continuity plans to minimise any such disruptions.

Information Technology system failure

The business has a high dependency on their core information technology systems and to mitigate this risk there are robust systems recovery policies and procedures in place, which are tested on a regular basis to ensure protection of hardware, software and data.

This report was approved by the board of directors on 10 February 2017 and signed on behalf of the board by:



Haitham Alani
Director

Smiths Pizza Company Limited
Director report
Year ended 30 June 2016

The directors present their report and the financial statements of the company for the year ended 30 June 2016.

Principal activity

The company operates pizza take away and delivery restaurants around the UK.

Directors

The directors who served during the year are as stated below:

Haitham Alani	Appointed 16 May 2016
Andrew John Smith	Resigned 16 May 2016
Douglas Adam Smith	Resigned 16 May 2016

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Employees

During 2016, the company employed an average of 0 (2015: 0) people. The company is committed to the principle of equal opportunity in employment: no applicant or employee receives less favourable treatment on the grounds of nationality, age, gender, religion, race, ethnicity or disability.

Research and development

The company is fully committed to ongoing technological innovation in all sectors of its business.

Financial Instruments

a) The financial risk management objectives and policies of the company include a policy for hedging each major type of forecasted transaction for which hedge accounting is used; and
b) The exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is frequently reviewed,
unless such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, Directors report 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 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 judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Smiths Pizza Company Limited
Director report
Year ended 30 June 2016

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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 10 February 2017 and signed on behalf of the board by:



Haitham Alani
Director

Smiths Pizza Company Limited
Independent auditor's report to the shareholders of
Year ended 30 June 2016

We have audited the financial statements of Smiths Pizza Company Limited for the year ended 30 June 2016 which comprise the Profit and Loss Account, the Balance sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an auditors' report 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require Directors responsibilities to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

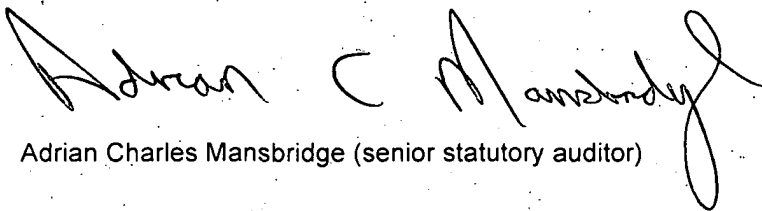
In our opinion the information given in the Directors report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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:

Smiths Pizza Company Limited
Independent auditor's report to the shareholders of
Year ended 30 June 2016

- 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 the 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.



Adrian Charles Mansbridge (senior statutory auditor)

For and on behalf of
Adrian C Mansbridge & Co
Chartered Certified Accountants & Statutory Auditors
Half Oak House
28 Watford Road
Northwood
Middlesex
HA6 3NT

10 February 2017

Smiths Pizza Company Limited
Statement of comprehensive income
Year ended 30 June 2016

		Continuing operations	
		2016	2015
	Notes	£	£
Turnover	2	<u>-</u>	<u>157,643</u>
Administrative expenses		<u>(11,394)</u>	<u>(10,760)</u>
Operating (loss)/profit		<u>(11,394)</u>	<u>146,883</u>
Investment income	3	520,385	300,000
Interest payable and similar charges	4	<u>(34,339)</u>	<u>(54,584)</u>
Profit on ordinary activities before taxation		474,652	392,299
Tax on profit on ordinary activities	5	<u>-</u>	<u>(41,220)</u>
Profit for the year		474,652	351,079
Retained profit brought forward		125,348	74,269
Reserve Movements		<u>(600,000)</u>	<u>(300,000)</u>
Retained profit carried forward		<u>-</u>	<u>125,348</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 11 form an integral part of these financial statements.

Smiths Pizza Company Limited
Statement of financial position
30 June 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Intangible assets			-		648,430
Current assets					
Debtors	6	50,000		962,482	
Cash at bank and in hand		-		119,633	
		<u>50,000</u>		<u>1,082,115</u>	
Creditors: amounts falling due within one year	7	-		(167,405)	
Net current assets			<u>50,000</u>		<u>914,710</u>
Total assets less current liabilities			50,000		1,563,140
Creditors: amounts falling due after more than one year	8		-		(1,387,792)
Net assets			<u>50,000</u>		<u>175,348</u>
Capital and reserves					
Called up share capital	9		50,000		50,000
Profit and loss account			-		125,348
Shareholders' funds	10		<u>50,000</u>		<u>175,348</u>

These financial statements were approved by the board of directors and authorised for issue on 10 February 2017, and are signed on behalf of the board by:



Haitham Alani
Director

Registration number SC319308

The notes on pages 8 to 11 from an integral part of these financial statements.

Smiths Pizza Company Limited
Notes to the financial statements
Year ended 30 June 2016

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions: Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold; Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable; Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

Smiths Pizza Company Limited
Notes to the financial statements
Year ended 30 June 2016

3.	Income from investments	2016	2015
		£	£
	Income from subsidiary undertakings	520,385	300,000
		<u> </u>	<u> </u>
4.	Interest payable and similar charges	2016	2015
		£	£
	Included in this category is the following:		
	Interest payable on loans < 1 yr	34,339	54,584
		<u> </u>	<u> </u>
5.	Tax on profit on ordinary activities		
	Analysis of charge in period	2016	2015
		£	£
	Current tax		
	UK corporation tax	-	41,220
		<u> </u>	<u> </u>
6.	Debtors	2016	2015
		£	£
	Amounts owed by group undertakings	50,000	662,515
	Other debtors	-	299,967
		<u> </u>	<u> </u>
		50,000	962,482
		<u> </u>	<u> </u>
7.	Creditors: amounts falling due within one year	2016	2015
		£	£
	Bank loan	-	20,628
	Trade creditors	-	1
	Corporation tax	-	92,668
	Directors' accounts	-	54,108
		<u> </u>	<u> </u>
		-	167,405
		<u> </u>	<u> </u>

Smiths Pizza Company Limited
Notes to the financial statements
Year ended 30 June 2016

8. Creditors: amounts falling due after more than one year	2016 £	2015 £
Bank loan	-	1,387,792
	<u> </u>	<u> </u>
9. Share capital	2016 £	2015 £
Allotted, called up and fully paid	50,000	50,000
	<u> </u>	<u> </u>
Equity Shares	50,000	50,000
	<u> </u>	<u> </u>
10. Reconciliation of movements in shareholders' funds	2016 £	2015 £
Profit for the year	474,652	351,079
Dividends	(600,000)	(300,000)
	<u> </u>	<u> </u>
	(125,348)	51,079
Opening shareholders' funds	175,348	124,269
	<u> </u>	<u> </u>
Closing shareholders' funds	50,000	175,348
	<u> </u>	<u> </u>

Smiths Pizza Company Limited
Notes to the financial statements
Year ended 30 June 2016

11. Related party transactions

The company received a dividend of £520,385 from its only wholly owned subsidiary Dominos Pizza, New castle and Sunderland Limited.

On 13th May 2016 the company was acquired by Hala Limited. On the same day, the assets of the company were hived up into Hala Limited.

12. Ultimate controlling party

From 13th May 2016 Hala limited become the ultimate controlling party. Prior to that it had been Mr. Andrew Smith.

SMITHS PIZZA COMPANY LIMITED

The following pages do not form part of the statutory accounts.

Smiths Pizza Company Limited
Detailed trading profit and loss account
Year ended 30 June 2016

	2016		2015	
	£	£	£	£
Sales				
Other income- 157,643		<u> </u>		<u>157,643</u>
		-		
Administrative expenses	<u>11,394</u>		<u>10,760</u>	
		(11,394)		(10,760)
		<u>(11,394)</u>		<u>146,883</u>
Operating (loss)/profit	-%	(11,394)	93%	146,883
Other income and expenses				
	<u> </u>		<u> </u>	
Income from investments				
Group income	<u>520,385</u>		<u>300,000</u>	
		520,385		300,000
Interest payable				
Bank interest	<u>34,339</u>		<u>54,584</u>	
		(34,339)		(54,584)
Net profit for the year		<u>474,652</u>		<u>392,299</u>

Smiths Pizza Company Limited
Administrative expenses
Year ended 30 June 2016

	2016	2015
	£	£
Administrative expenses		
Insurance	2,587	3,810
Legal and professional	1,513	-
Accountancy	-	5,691
Bank charges	2,496	1,259
General expenses	4,798	-
	<u>11,394</u>	<u>10,760</u>