

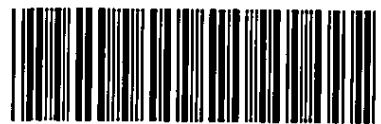
DPGS Limited

Director's Report and Abbreviated Accounts

for the Year Ended 31 December 2006

Registration number 2888940

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DPGS Limited
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DPGS Limited
Officers and Advisers

Director	M Halpern
Secretary	N J Ackroyd
Registered office	Unit 6 Oldbrook Boulevard Oldbrook Milton Keynes MK6 2YA
Auditors	RSM Bentley Jennison Chartered Accountants & Registered Auditors Cedar House Breckland Linford Wood Milton Keynes MK14 6EX

DPGS Limited

Director's Report for the Year Ended 31 December 2006

The director presents his report and the audited financial statements for the year ended 31 December 2006

Director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure the financial statements comply with the Companies Act 1985. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The director has taken 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. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

Principal activity

The principal activity of the company is that of the acquisition, operation, development and sales of Domino's Pizza delivery stores.

Business review

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year-end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The company continues to operate and develop 15 Domino's Pizza delivery stores within central and south east England.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross margin.

Total sales increased slightly in 2006 on 2005 by 2.7%. Gross profit decreased slightly to £1,832,236 in 2006 from £1,888,790 in 2005. This has been mainly due to a change in marketing strategy and increasing labour costs.

Results and dividend

The results for the company are set out in the financial statements.

The director does not recommend the payment of a dividend.

Research and development

The company will continue its policy of investment in research and development in order to retain a competitive position in the market.

DPGS Limited
Director's Report for the Year Ended 31 December 2006

continued

Director

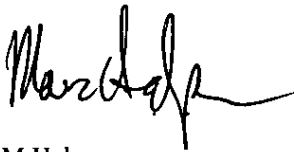
The director who held office during the year was as follows

- M Halpern

Auditors

The auditors, RSM Bentley Jennison, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985

Approved by the Board and signed on its behalf by

A handwritten signature in black ink, appearing to read 'M Halpern', written over a horizontal line.

M Halpern
Director

Date 30/10/07

**Independent Auditors' Report to
DPGS Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of DPGS Limited, set out on pages 5 to 19, together with the financial statements of the company for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The director is responsible for preparing the abbreviated accounts in accordance with 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 19 are properly prepared in accordance with those provisions.



RSM Bentley Jennison
Chartered Accountants & Registered Auditors

Date 30/10/7

Cedar House
Breckland
Linford Wood
Milton Keynes
MK14 6EX

DPGS Limited

Abbreviated Profit and Loss Account for the Year Ended 31 December 2006

	Note	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Gross profit		1,832,236	1,888,790
Administrative expenses		(1,824,737)	(1,689,951)
Operating profit	2	<u>7,499</u>	<u>198,839</u>
Interest receivable and similar income		-	163
Interest payable and similar charges	5	(1,512)	(1,406)
Profit on ordinary activities before taxation		<u>5,987</u>	<u>197,596</u>
Tax on profit on ordinary activities	6	(204,739)	(170,880)
(Loss)/profit for the financial year	18	<u><u>(198,752)</u></u>	<u><u>26,716</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

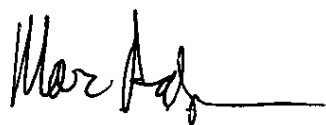
DPGS Limited
Abbreviated Balance Sheet as at 31 December 2006

		31 December 2006		31 December 2005	
	Note	£	£	£	£
Fixed assets					
Intangible assets	8		324,863		348,047
Tangible assets	9		1,757,951		1,876,884
Investments	10		<u>280,000</u>		<u>280,000</u>
			2,362,814		2,504,931
Current assets					
Stocks	11	35,854		35,097	
Debtors	12	365,328		352,102	
Cash at bank and in hand		<u>95,071</u>		<u>132,558</u>	
		496,253		519,757	
Creditors: Amounts falling due within one year	13	<u>(1,328,306)</u>		<u>(1,230,859)</u>	
Net current liabilities			<u>(832,053)</u>		<u>(711,102)</u>
Total assets less current liabilities			1,530,761		1,793,829
Creditors: Amounts falling due after more than one year	14		(22,189)		(37,293)
Provisions for liabilities	16		<u>(299,221)</u>		<u>(348,433)</u>
Net assets			<u>1,209,351</u>		<u>1,408,103</u>
Capital and reserves					
Called up share capital	17		75,000		75,000
Profit and loss account	18		<u>1,134,351</u>		<u>1,333,103</u>
Equity shareholders' funds	19		<u>1,209,351</u>		<u>1,408,103</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

These accounts were approved by the Director on

30/10/07



M Halpern
Director

DPGS Limited

Cash Flow Statement for the Year Ended 31 December 2006

		31 December 2006		31 December 2005	
	Note	£	£	£	£
Net cash flow from operating activities	23		115,847		891,758
Returns on investment and servicing of finance	24		(1,512)		(1,243)
Taxation	24		259		(438,419)
Capital expenditure and financial investment	24		(136,977)		768,404
Equity dividends paid			-		(1,238,502)
Cash outflow before management of liquid resources and financing			(22,383)		(18,002)
Financing	24		(15,104)		(1,361)
Net cash flow			(37,487)		(19,363)

Reconciliation of net cash flow to movement in net debt

		31 December 2006	31 December 2005
	Note	£	£
Decrease in cash in the year	25	(37,487)	(19,363)
Cash outflow from decrease in debt and lease financing		15,104	1,361
Change in net debt resulting from cash flows		(22,383)	(18,002)
New hire purchase agreements		-	(48,318)
Movement in net debt in the year		(22,383)	(66,320)
Net funds at the start of the year	25	85,601	151,921
Net funds at the end of the year	25	63,218	85,601

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

Under section 248 of the Companies Act 1985 the group is exempt from the requirement to prepare group accounts by virtue of its size. Therefore the accounts present information about the company as an individual undertaking and not about its group

Turnover

Turnover represents amounts invoiced, net of value added tax, in respect of the sale of goods to customers

Intangible fixed assets

Franchise fees are amounts paid to the franchisor. Amortisation is provided at rates which aim to write off the cost of the assets over its expected useful life

Goodwill represents the excess of the purchase price over the fair value on the acquisition of a store and will be amortised over 20 years, being the estimated useful life

Interest in leases represents lease premiums paid to landlords, and is amortised over the lease term

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows

Leasehold improvements	over the lease term
Fixtures, fittings and equipment	over 5 to 10 years
Cars & mopeds	over 18 months to 3 years

Research and development expenditure

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project

Other fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Deferred taxation

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets acquired under instalment finance agreements are treated as tangible fixed assets and depreciation is provided accordingly. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Hire of plant and machinery (Operating Leases)	88	110
The audit of the company's annual accounts	10,000	21,000
Loss on sale of tangible fixed assets	-	4,959
Depreciation of owned tangible fixed assets	227,495	237,170
Depreciation of leased tangible fixed assets	1,933	805
Amortisation of goodwill	40,642	30,323

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Year ended 31 December 2006 No	3 January 2005 to 31 December 2005 No.
Production	321	311
Administration	4	6
	<u>325</u>	<u>317</u>

The aggregate payroll costs of these persons were as follows

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Wages and salaries	2,329,916	2,209,179
Social security	131,483	131,413
Other pension costs	-	444
	<u>2,461,399</u>	<u>2,341,036</u>

4 Director's emoluments

The director's emoluments for the year are as follows

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Director's emoluments (including benefits in kind)	<u>96,919</u>	<u>46,846</u>

5 Interest payable and similar charges

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Bank interest payable	-	994
Other interest payable	1,512	412
	<u>1,512</u>	<u>1,406</u>

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

6 Taxation

Analysis of current period tax charge

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Current tax		
Group relief payable/(receivable)	253,951	182,259
Deferred tax		
Origination and reversal of timing differences	(49,212)	(22,525)
Deferred tax adjustment relating to previous years	-	11,146
Total deferred tax	(49,212)	(11,379)
Total tax on profit on ordinary activities	204,739	170,880

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (3 January 2005 to 31 December 2005 - higher than) the standard rate of corporation tax in the UK of 30.00% (3 January 2005 to 31 December 2005 - 30.00%)

The differences are reconciled below

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Profit on ordinary activities before taxation	5,987	197,596
Standard rate corporation tax charge	1,796	59,279
Other non qualifying expenses	1,082	998
Accelerated capital allowances	73,307	36,137
Other timing differences	-	(41,735)
Group relief	177,766	127,580
Total current tax for the year	253,951	182,259

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

7 Dividends

	Year ended 31 December 2006 £	3 January 2005 to 31 December 2005 £
Equity dividends		
Paid	-	1,238,502

8 Intangible fixed assets

	Goodwill £	Franchise fees £	Total £
Cost			
As at 1 January 2006	333,936	64,726	398,662
Additions	-	17,458	17,458
As at 31 December 2006	333,936	82,184	416,120
Amortisation			
As at 1 January 2006	41,421	9,194	50,615
Charge for the year	32,520	8,122	40,642
As at 31 December 2006	73,941	17,316	91,257
Net book value			
As at 31 December 2006	259,995	64,868	324,863
As at 31 December 2005	292,515	55,532	348,047

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

9 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Other tangibles £	Total £
Cost					
As at 1 January 2006	1,209,852	1,463,019	20,330	43,364	2,736,565
Additions	48,234	66,899	4,386	-	119,519
Disposals	-	(14,400)	(4,468)	-	(18,868)
As at 31 December 2006	<u>1,258,086</u>	<u>1,515,518</u>	<u>20,248</u>	<u>43,364</u>	<u>2,837,216</u>
Depreciation					
As at 1 January 2006	185,434	658,298	13,305	2,644	859,681
Eliminated on disposals	-	(14,400)	(4,468)	-	(18,868)
Charge for the year	<u>55,201</u>	<u>169,939</u>	<u>9,024</u>	<u>4,288</u>	<u>238,452</u>
As at 31 December 2006	<u>240,635</u>	<u>813,837</u>	<u>17,861</u>	<u>6,932</u>	<u>1,079,265</u>
Net book value					
As at 31 December 2006	<u>1,017,451</u>	<u>701,681</u>	<u>2,387</u>	<u>36,432</u>	<u>1,757,951</u>
As at 31 December 2005	<u>1,024,418</u>	<u>804,721</u>	<u>7,025</u>	<u>40,720</u>	<u>1,876,884</u>

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £40,355 (31 December 2005 - £47,513) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £7,158 (31 December 2005 - £7,158).

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

10 Fixed asset investments

	Group shares £
Cost	
As at 1 January 2006 and 31 December 2006	<u>280,000</u>
Net book value	
As at 31 December 2006	<u>280,000</u>
As at 31 December 2005	<u>280,000</u>

The company holds more than 20% of the share capital of the following company

	Country of incorporation	Principal activity	Class	%	Year end
Subsidiary undertakings					
Triple 'A' Pizza (Norwich) Limited	United Kingdom	Operation of a Domino's Pizza delivery store	Ordinary	100	31 December 2006
			Capital & reserves £		Profit/(loss) for the year £
Subsidiary undertakings					
Triple 'A' Pizza (Norwich) Limited			42,789		-

11 Stocks and work in progress

	31 December 2006 £	31 December 2005 £
Stocks	<u>35,854</u>	<u>35,097</u>

12 Debtors

	31 December 2006 £	31 December 2005 £
Other debtors	197,331	186,947
Prepayments and accrued income	<u>167,997</u>	<u>165,155</u>
	<u>365,328</u>	<u>352,102</u>

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

13 Creditors: Amounts falling due within one year

	31 December 2006 £	31 December 2005 £
Obligations under finance leases and hire purchase contracts	9,664	9,664
Trade creditors	220,028	169,741
Amounts owed to group undertakings	639,375	612,953
Corporation tax	41,741	41,735
Social security and other taxes	341,989	222,420
Other creditors	4,024	4,647
Accruals and deferred income	71,485	169,699
	<u>1,328,306</u>	<u>1,230,859</u>

14 Creditors: Amounts falling due after more than one year

	31 December 2006 £	31 December 2005 £
Obligations under finance leases and hire purchase contracts	<u>22,189</u>	<u>37,293</u>

15 Maturity of borrowings

Amounts repayable

	Obligations under finance leases and HP contracts £
As at 31 December 2006	
In one year or less on demand	9,664
Between one and two years	9,664
Between two and five years	12,525
	<u>31,853</u>
As at 31 December 2005	
In one year or less on demand	9,664
Between one and two years	9,663
Between two and five years	27,630
	<u>46,957</u>

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

16 Provisions for liabilities

	Deferred tax provision £
As at 1 January 2006	348,433
Deferred tax provision charged to the profit and loss account	<u>(49,212)</u>
As at 31 December 2006	<u>299,221</u>

Deferred tax

Deferred tax is provided at 30.00% (31 December 2005 - 30.00%)

	31 December 2006 £	31 December 2005 £
Accelerated capital allowances	<u>299,221</u>	<u>348,433</u>

17 Share capital

	31 December 2006 £	31 December 2005 £
Authorised		
Equity		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
Equity		
75,000 Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>

18 Reserves

	Profit and loss account £
Balance at 1 January 2006	1,333,103
Transfer from profit and loss account for the year	<u>(198,752)</u>
Balance at 31 December 2006	<u>1,134,351</u>

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

19 Reconciliation of movements in shareholders' funds

	31 December 2006 £	31 December 2005 £
(Loss)/profit attributable to members of the company	(198,752)	26,716
Dividends	-	(1,238,502)
	<u>(198,752)</u>	<u>(1,211,786)</u>
Opening equity shareholders' funds	1,408,103	2,619,889
Closing equity shareholders' funds	<u>1,209,351</u>	<u>1,408,103</u>

20 Contingent liabilities

The group has entered into an agreement to obtain bank loans and finance facilities. These are secured by a fixed and floating charge over the group's assets. At 31 December 2006 the balance due under these facilities was £4,222,000 (2005 - £4,450,000).

21 Operating lease commitments

As at 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows

	Land and Buildings	
	31 December 2006 £	31 December 2005 £
Within one year	12,000	-
Within two and five years	34,100	46,100
Over five years	205,000	190,000
	<u>251,100</u>	<u>236,100</u>

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

22 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £nil (31 December 2005 - £444)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

23 Reconciliation of operating profit to operating cash flows

	31 December 2006	31 December 2005
	£	£
Operating profit	7,499	198,839
Depreciation, amortisation and impairment charges	279,094	268,298
Loss on disposal of fixed assets	-	4,959
(Increase)/decrease in stocks	(757)	796
(Increase)/decrease in debtors	(13,226)	9,312,505
Decrease in creditors	(156,763)	(8,893,639)
Net cash inflow from operating activities	115,847	891,758

24 Analysis of cash flows

	31 December 2006	31 December 2005
	£	£
Returns on investment and servicing of finance		
Other interest paid	(1,512)	(1,406)
Interest received	-	163
	(1,512)	(1,243)
Taxation		
Taxation paid	259	(438,419)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(17,458)	25,254
Sale of intangible fixed assets	-	365,446
Purchase of tangible fixed assets	(119,519)	(672,645)
Sale of tangible fixed assets	-	1,050,349
	(136,977)	768,404
Financing		
Capital element of hire purchase payments	(15,104)	(1,361)

DPGS Limited

Notes to the abbreviated accounts for the Year Ended 31 December 2006

continued

25 Analysis of net funds

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	132,558	(37,487)	95,071
Hire purchase	(46,957)	15,104	(31,853)
Net funds	85,601	(22,383)	63,218

26 Related parties

Controlling entity

The ultimate parent company is Dough Trading Limited, a company registered in England and Wales. The ultimate controlling party of Dough Trading Limited is Mr M Halpern.

Related party transactions

Dough Trading Limited is the ultimate parent company which owns 100% of the issued share capital. The amount owed to Dough Trading Limited at 31 December 2006 was £596,586 (2005 - £605,753).

Triple 'A' Pizza (Norwich) Limited is a wholly owned subsidiary of DPGS Limited. The amount owed to Triple 'A' Pizza (Norwich) Limited at 31 December 2006 was £42,789 (2005 - £7,200).