

**REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**  
**FOR**  
**ELVETHAM LIMITED**

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**FOR THE YEAR ENDED 31 MARCH 2012**

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**ELVETHAM LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2012**

**DIRECTORS:**

Mr M S Lilley  
Mr J Tillman

**SECRETARY:**

Mrs L J Lilley

**REGISTERED OFFICE:**

1st Floor  
44 Maiden Lane  
London  
WC2E 7LN

**REGISTERED NUMBER:**

04817215 (England and Wales)

**AUDITORS:**

Capital Partners London Ltd  
110 Viglen House  
Alperton  
London  
HA0 1HD

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012.

**PRINCIPAL ACTIVITY**

The principal activity of the company during the year under review was the operation of a chain of fast casual restaurants and shops trading as Abokado.

**REVIEW OF BUSINESS**

Abokado has had an excellent year in what has been a difficult market, with a significant increase in sales and gross profit and several new store openings. Turnover increased by 55% and gross profit increased by 57% during the period under review. This was driven by strong like for like sales growth and three new store openings in central London which took the total estate at the year end to ten stores. The gross margin increased once again, this being the 5th year of consecutive growth and this was achieved despite rising input prices and labour costs.

The directors monitor certain key performance indicators, including

- \* Like for like sales growth
- \* New store return on capital
- \* Net promoter score
- \* Manager grade turnover
- \* EBITDA per store

On all measures we are very pleased with the company's performance. The net promoter score during the period under review was over 70% and manager grade turnover continued to remain extremely low at 20%. Like for like sales growth was 15% and the average return on capital from new stores significantly exceeded our expectations. EBITDA per store increased materially year on year.

Trading in the period since April 2012 has strengthened even further with like for like sales growth of more than 20% and a continued improvement in our gross margin. Since April we have opened two more stores, one in Fitzrovia and one in mid-town. We also have a number of other stores under offer and in advanced legals, with more openings planned over the coming months. To support this roll out we have secured approximately £2m of debt funding. New store openings continue to surpass our expectations.

We would like to thank our customers, suppliers and most importantly our hard working and passionate managers and team members for their continued support. We believe that by remaining focused on our core proposition of providing healthy, freshly made food and drinks, served fast and also by relentlessly striving to offer our customers better value, our business will prosper whatever the market conditions.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2012.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report.

Mr M S Lilley  
Mr J Tillman

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2012**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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, Capital Partners London Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr M S Lilley - Director

23 November 2012

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ELVETHAM LIMITED**

We have audited the financial statements of Elvetham Limited for the year ended 31 March 2012 on pages five to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

### **Respective responsibilities of directors and auditors**

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. 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 us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 31 March 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Report of the Directors 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:

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

Atul Sharma (Senior Statutory Auditor)  
for and on behalf of Capital Partners London Ltd  
110 Viglen House  
Alperton  
London  
HA0 1HD

4 December 2012

**ELVETHAM LIMITED (REGISTERED NUMBER: 04817215)****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	31.3.12 £	31.3.11 £
<b>TURNOVER</b>		3,643,959	2,348,790
Cost of sales		<u>2,420,200</u>	<u>1,568,727</u>
<b>GROSS PROFIT</b>		1,223,759	780,063
Administrative expenses		<u>1,579,632</u> (355,873)	<u>1,077,391</u> (297,328)
Other operating income		<u>9,174</u>	<u>3,374</u>
<b>OPERATING LOSS</b>	3	(346,699)	(293,954)
Interest payable and similar charges		<u>23,738</u>	<u>8,586</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(370,437)	(302,540)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(370,437)</u>	<u>(302,540)</u>

The notes form part of these financial statements

**ELVETHAM LIMITED (REGISTERED NUMBER: 04817215)****BALANCE SHEET**  
**31 MARCH 2012**

	Notes	31.3.12 £	£	31.3.11 £	£
<b>FIXED ASSETS</b>					
Intangible assets	5		5,894		6,222
Tangible assets	6		1,123,834		577,670
Investments	7		<u>1</u>		<u>1</u>
			1,129,729		583,893
<b>CURRENT ASSETS</b>					
Stocks			87,655		44,284
Debtors	8		280,953		184,322
Cash at bank and in hand			<u>59,744</u>		<u>16,763</u>
			428,352		245,369
<b>CREDITORS</b>					
Amounts falling due within one year	9		<u>618,440</u>		<u>490,433</u>
<b>NET CURRENT LIABILITIES</b>			<u>(190,088)</u>		<u>(245,064)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			939,641		338,829
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		<u>-</u>		<u>7,975</u>
<b>NET ASSETS</b>			<u>939,641</u>		<u>330,854</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		152,630		98,915
Share premium	13		1,983,764		1,058,255
Profit and loss account	13		<u>(1,196,753)</u>		<u>(826,316)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>939,641</u>		<u>330,854</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23 November 2012 and were signed on its behalf by:

Mr M S Lilley - Director



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Intangible Assets**

The Intangible Assets are amortised over a period of twenty years.

**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	- in accordance with the property
Plant and machinery	- Straight line over 7 years
Fixtures and fittings	- 10% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% 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.

**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 the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

**2. DIRECTORS' EMOLUMENTS**

	31.3.12	31.3.11
	£	£
Directors' remuneration	<u>100,219</u>	<u>97,265</u>

The Director Mr. M S Lilley has received a basic salary of £ 85,000, the rest is benefits in kind.

**3. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	31.3.12	31.3.11
	£	£
Depreciation - owned assets	179,557	91,078
Depreciation - assets on finance leases	28,238	30,305
Profit on disposal of fixed assets	(8,250)	(524)
Development costs amortisation	328	328
Auditors' remuneration	4,500	3,000
Pension costs	<u>66</u>	<u>487</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2012****4. TAXATION****Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2012 nor for the year ended 31 March 2011.

**5. INTANGIBLE FIXED ASSETS**

	Development costs £
<b>COST</b>	
At 1 April 2011	
and 31 March 2012	<u>6,550</u>
<b>AMORTISATION</b>	
At 1 April 2011	328
Amortisation for year	<u>328</u>
At 31 March 2012	<u>656</u>
<b>NET BOOK VALUE</b>	
At 31 March 2012	<u>5,894</u>
At 31 March 2011	<u>6,222</u>

**6. TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 April 2011	11,256	433,551	466,205
Additions	<u>7,000</u>	<u>240,468</u>	<u>471,649</u>
At 31 March 2012	<u>18,256</u>	<u>674,019</u>	<u>937,854</u>
<b>DEPRECIATION</b>			
At 1 April 2011	9,701	218,821	117,066
Charge for year	<u>2,608</u>	<u>93,975</u>	<u>91,182</u>
Eliminated on disposal	-	-	-
At 31 March 2012	<u>12,309</u>	<u>312,796</u>	<u>208,248</u>
<b>NET BOOK VALUE</b>			
At 31 March 2012	<u>5,947</u>	<u>361,223</u>	<u>729,606</u>
At 31 March 2011	<u>1,555</u>	<u>214,730</u>	<u>349,139</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2012**

**6. TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2011	23,292	27,493	961,797
Additions	-	34,842	753,959
Disposals	(23,292)	-	(23,292)
At 31 March 2012	-	62,335	1,692,464
<b>DEPRECIATION</b>			
At 1 April 2011	23,292	15,247	384,127
Charge for year	-	20,030	207,795
Eliminated on disposal	(23,292)	-	(23,292)
At 31 March 2012	-	35,277	568,630
<b>NET BOOK VALUE</b>			
At 31 March 2012	-	27,058	1,123,834
At 31 March 2011	-	12,246	577,670

Fixed assets, included in the above, which are held under finance leases are as follows:

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2011	182,266	21,997	23,292	227,555
Disposals	-	-	(23,292)	(23,292)
At 31 March 2012	182,266	21,997	-	204,263
<b>DEPRECIATION</b>				
At 1 April 2011	127,603	8,799	23,292	159,694
Charge for year	26,038	2,200	-	28,238
Eliminated on disposal	-	-	(23,292)	(23,292)
At 31 March 2012	153,641	10,999	-	164,640
<b>NET BOOK VALUE</b>				
At 31 March 2012	28,625	10,998	-	39,623
At 31 March 2011	54,663	13,198	-	67,861

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2012****7. UNLISTED INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2011 and 31 March 2012	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 March 2012	<u>1</u>
At 31 March 2011	<u>1</u>

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

**Abokado Limited**

Nature of business: Dormant company

	% holding
Class of shares:	
Equity Shares	100.00

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

	31.3.12	31.3.11
	£	£
Trade debtors	481	1,150
Amounts owed by group undertakings	375	375
Other debtors	146,114	70,031
VAT	12,726	29,779
Prepayments	121,257	82,987
	<u>280,953</u>	<u>184,322</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.12	31.3.11
	£	£
Bank loans and overdrafts	-	39,668
Finance leases	6,770	32,467
Trade creditors	493,123	334,717
Social security and other taxes	104,850	67,626
Other creditors	1,150	14,822
Directors' loan accounts	-	523
Accrued expenses	12,547	610
	<u>618,440</u>	<u>490,433</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.12	31.3.11
	£	£
Finance leases	<u>-</u>	<u>7,975</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2012****11. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	31.3.12 £	31.3.11 £
Expiring:		
Within one year	25,000	33,350
Between one and five years	136,960	213,100
In more than five years	396,682	139,417
	<u>558,642</u>	<u>385,867</u>

During the year three additional charges have been registered with the Companies House to secure the obligations under the rent deposit deeds.

**12. CALLED UP SHARE CAPITAL**

Allotted and issued:

Number: Class: Nominal 31.3.12 31.3.11

value: £ £

152,630 Ordinary £1.00 152,630 98,915

During the year 53,715 (2011: 16,625) Ordinary equity shares of £1.00 each were issued for cash of £979,224 (2011: £303,075).

**13. RESERVES**

	Profit and loss account £	Share premium £	Totals £
At 1 April 2011	(826,316)	1,058,255	231,939
Deficit for the year	(370,437)		(370,437)
Cash share issue	-	925,509	925,509
At 31 March 2012	<u>(1,196,753)</u>	<u>1,983,764</u>	<u>787,011</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.