

Company No 166821

**NANDO'S CHICKEN LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31st DECEMBER 2000**



**Nando's Chicken Limited**

**Directors**

Mr. R.A. 't Hooft  
Mr. C.F. Luyckx

**Secretary and Registered Office**

Mr. C.F. Luyckx  
42 Vicarage Crescent, London, SW11 3LB

**Auditors**

Moore Stephens  
Chartered Accountants  
St. Paul's House, Warwick Lane, London, EC4P 4BN

**Report of the Directors**

The directors have pleasure in presenting their report and audited financial statements for the year ended 31st December 2000.

**Activities and Business Review**

The company's premises are leased to an associate company for the operation of a "flame grilled chicken concept" within the quick service sector of the restaurant industry.

No acquisitions were made in the year but the directors are evaluating a number of further property acquisitions for the next financial year.

**Results and Dividends**

The loss for the financial year after taxation amounted to £24,269 (1999: Loss £8,288) and has been set off against reserves. The directors do not recommend the payment of a dividend for the year.

**Directors' Interests**

None of the Directors had any interest as defined by the Companies Act 1985 in the share capital of the company at any time during the year.

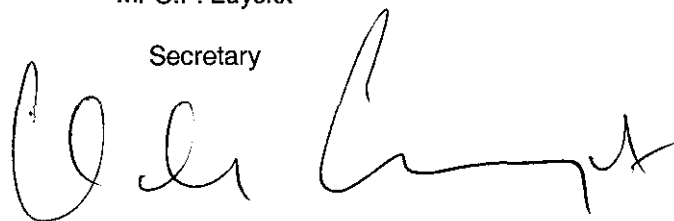
**Auditors**

Moore Stephens were auditors during the financial year and have expressed their willingness to continue in office. A resolution proposing their reappointment will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Mr C.F. Luyckx

Secretary

A handwritten signature in black ink, appearing to be 'C.F. Luyckx', written over the printed name and title.

**Nando's Chicken Limited****Statement of Directors' Responsibilities  
For the year ended 31st December 2000**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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.

The directors are responsible for keeping proper accounting records which 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 1985. 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.

**Independent Auditors' Report to the Shareholders of  
Nando's Chicken Limited**

We have audited the financial statements of Nando's Chicken Limited for the year ended 31st December 2000 set out on pages 4 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 6.

**Respective Responsibilities of Directors and Auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we became aware of any apparent misstatements within it.

**Basis of Audit Opinion**

We conducted our audit in accordance with United Kingdom Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House  
London, EC4P 4BN

1 October 2001

  
MOORE STEPHENS

Registered Auditor  
Chartered Accountants

## Nando's Chicken Limited

**Profit and Loss Account**  
**For the year ended 31st December 2000**

	<u>Note</u>	<u>2000</u>	<u>1999</u>
<b>Turnover</b>	1(b)	610,011	570,479
Administrative expenses		(610,767)	(568,896)
Operating (loss)/profit	2	(756)	1,583
Interest receivable	5	111,275	-
Interest payable and similar charges	4	(113,974)	(7,371)
<b>Loss on Ordinary Activities before Taxation</b>		(3,455)	(5,788)
Taxation on result on ordinary activities	6	(20,814)	(2,500)
<b>Loss for the Financial Year</b>		£ (24,269)	£ (8,288)

**Summary of Retained Profits**

At 1st January 2000		61,589	69,877
Loss for the financial year		(24,269)	(8,288)
At 31st December 2000	£	37,320	£ 61,589

There are no recognised gains or losses other than those included in the profit and loss account.

## Nando's Chicken Limited

## Balance Sheet - 31st December 2000

	Note	2000	1999
<b>Fixed Assets</b>			
Tangible assets	7	2,170,796	2,210,866
<b>Current Assets</b>			
Debtors	8	485,953	154,874
Creditors, amounts falling due within one year	9	(266,246)	(109,112)
<b>Net Current Assets</b>		<u>219,707</u>	<u>45,762</u>
<b>Total Assets Less Current Liabilities</b>		<u>2,390,503</u>	<u>2,256,628</u>
Creditors, amounts falling due after more than one year	10	(2,044,440)	(1,895,039)
Provision for liabilities and charges	11	(8,743)	-
<b>Net Assets</b>		<u>£ 337,320</u>	<u>£ 361,589</u>
<b>Capital and Reserves</b>			
Called up equity share capital	12	300,000	300,000
Profit and loss account		<u>37,320</u>	<u>61,589</u>
<b>Equity Shareholders' Funds</b>		<u>£ 337,320</u>	<u>£ 361,589</u>

The financial statements were approved by the Board on 28 September 2001  
and signed on its behalf by

R.A.'t HOOFT

C.F. LUYCKX

Directors



**Nando's Chicken Limited****Financial Statements  
For the year ended 31st December 2000****Notes****1. Principal Accounting Policies****(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**(b) Turnover**

Turnover consists of gross rental income from properties together with sales and services in the ordinary course of business, excluding sales of investment properties.

**(c) Fixed assets and depreciation**

Freehold property is not depreciated as it is the company's policy to maintain these buildings to a high standard and, because of this, such properties are expected to maintain residual disposal values in aggregate at least equal to their book values. The company's appraisal of residual values is based on prices prevailing at the time of acquisition or subsequent valuation of the property in question. Short leasehold properties are depreciated over the term of the lease.

**(d) Deferred taxation**

Provision is made by the liability method for all material timing differences which are expected to be reversed in the foreseeable future.

**(e) Foreign currencies**

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. Any resultant gains or losses on exchange are dealt with through the profit and loss account in the period in which they arise.

**(f) Leased assets**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

## Nando's Chicken Limited

**Financial Statements**  
**For the year ended 31st December 2000**

## Notes (Continued)

**2. Operating Profit**

The operating profit is stated after charging:

	<u>2000</u>	<u>1999</u>
Auditors' remuneration	3,500	3,300
Depreciation	<u>27,257</u>	<u>27,257</u>

**3. Directors and Employees**

The only employees during the year were the two directors (1999: 2). Staff costs during the year were £Nil (1999: £Nil).

**4. Interest payable and similar charges**

	<u>2000</u>	<u>1999</u>
Bank loans and overdrafts	£ <u>113,974</u>	£ <u>7,371</u>

**5. Interest Receivable**

	<u>2000</u>	<u>1999</u>
Interest receivable from fellow subsidiary (Nando's Chickenland Ltd)	£ <u>111,275</u>	£ <u>-</u>

**6. Taxation on Ordinary Activities**

	<u>2000</u>	<u>1999</u>
United Kingdom corporation tax	10,000	5,000
Under/(over) provision in respect of prior years	2,071	(2,500)
Deferred tax charge	<u>8,743</u>	<u>-</u>
	£ <u>20,814</u>	£ <u>2,500</u>



## Nando's Chicken Limited

**Financial Statements**  
**For the year ended 31st December 2000**

## Notes (Continued)

**7. Tangible Fixed Assets**

	<u>Freehold Property</u>	<u>Short Leasehold Property</u>	<u>Total</u>
Cost			
At 1st January 2000 and at 31st December 2000	£ 1,526,854	£ 751,407	£ 2,278,261
Accumulated depreciation			
At 1st January 2000	-	67,395	67,395
Charge for the year	-	40,070	40,070
At 31st December 2000	£ -	£ 107,465	£ 107,465
Net book value			
At 31st December 2000	£ 1,526,854	£ 643,942	£ 2,170,796
At 31st December 1999	£ 1,526,854	£ 684,012	£ 2,210,866

The company's bankers hold a first legal charge on properties with a cost of £2,017,516 in respect of the company's borrowings.

**8. Debtors**

	<u>2000</u>	<u>1999</u>
Prepayments and accrued income	134,006	127,479
Amount owed by group company	324,552	-
Other debtors (rent deposits)	27,395	27,395
	£ 485,953	£ 154,874

The amount of £324,552 is due from Nando's Chickenland Limited and is interest free.

## Nando's Chicken Limited

**Financial Statements**  
**For the year ended 31st December 2000**

## Notes (Continued)

**9. Creditors: amounts falling due within one year**

	<u>2000</u>	<u>1999</u>
Bank loans and overdraft (secured) (note 7)	182,295	27,487
Other creditors	51,900	63,429
Corporation tax	14,414	2,500
Accruals and deferred income	17,637	15,696
	<u>£ 266,246</u>	<u>£ 109,112</u>

**10. Creditors: amounts falling due after more than one year**

	<u>2000</u>	<u>1999</u>
Amount owed to group company	-	1,895,039
Bank loan	2,044,440	-
	<u>£ 2,044,440</u>	<u>£ 1,895,039</u>

	<u>2000</u>	<u>1999</u>
The loan is repayable as follows:		
Due between two and five years	460,008	-
Due after five years	1,584,432	-
	<u>£ 2,044,440</u>	<u>£ -</u>

The loan which is classified as debt, is secured on the company's properties (see note 7), bears interest at a commercial rate and is repayable over 15 years.

**11. Provisions for Liabilities and Charges**

	<u>2000</u>	<u>1999</u>
Deferred taxation		
Accelerated capital allowances	<u>£ 8,743</u>	<u>£ -</u>

**12. Equity Share Capital**

	<u>2000</u>	<u>1999</u>
Authorised, allotted, called up and fully paid 300,000 ordinary shares of £1 each	<u>£ 300,000</u>	<u>£ 300,000</u>

**Nando's Chicken Limited****Financial Statements  
For the year ended 31st December 2000****Notes (Continued)****13. Operating Lease Commitments**

The company has the following annual commitments under non-cancellable operating leases in respect of properties which expire:

	<u>2000</u>	<u>1999</u>
After five years	£ 529,800	£ 524,800

**14. Contingent Liabilities**

The company is party to an unlimited cross guarantee in respect of Nando's Chickenland Limited's bank borrowings.

**15. Related Party Transactions**

The company derived its income for the year from Nando's Chickenland Limited a company under common control.

**16. Ultimate Holding and Parent Company**

The Directors consider that the ultimate parent company is Tarofax Investments S.A. which is incorporated in Panama. The immediate parent company is IVM Intersurer B.V. incorporated in the Netherlands.