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REGISTERED NUMBER: 03531631 (England and Wales)

Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 March 2014
for
The Chesterford Group Ltd

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for the Year Ended 31 March 2014

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The Chesterford Group Ltd
Company Information
for the Year Ended 31 March 2014

DIRECTORS:

H R Lipscombe
J S Lipscombe
P J Goodgame

SECRETARY:

Mrs E L Fulcher

REGISTERED OFFICE:

Chesterford House
14 Stansted Distribution Centre
Start Hill
Bishop's Stortford
Hertfordshire
CM22 7DG

REGISTERED NUMBER:

03531631 (England and Wales)

AUDITORS:

Hardcastle Burton LLP
Chartered Accountants
Statutory Auditor
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

Strategic Report
for the Year Ended 31 March 2014

The directors present their strategic report for the year ended 31 March 2014.

REVIEW OF BUSINESS

The company's turnover and profits were in line with expectations. The results for the year, and financial position of the company, are as shown in the audited financial statements.

ON BEHALF OF THE BOARD:


.....
H R Lipscombe - Director

Date: 21-10-14

Report of the Directors
for the Year Ended 31 March 2014

The directors present their report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a intermediary holding company within a group - for which the subsidiary operates fast food retail shops and restaurants.

DIVIDENDS

The directors recommended that there be total interim dividends paid in the year on the ordinary shares totalling £nil (2013 - £719,407).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

H R Lipscombe
J S Lipscombe
P J Goodgame

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, Hardcastle Burton LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
H R Lipscombe - Director

Date: 21/0/14

Report of the Independent Auditors to the Members of
The Chesterford Group Ltd

We have audited the financial statements of The Chesterford Group Ltd for the year ended 31 March 2014 on pages six to fifteen. 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 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 Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 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 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.

Report of the Independent Auditors to the Members of
The Chesterford Group Ltd

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.



Denise Lindsell FCA (Senior Statutory Auditor)
for and on behalf of Hardcastle Burton LLP
Chartered Accountants
Statutory Auditor
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

Date: 21/10/14

The Chesterford Group Ltd (Registered number: 03531631)

Profit and Loss Account
for the Year Ended 31 March 2014

	Notes	31.3.14 £	31.3.13 £
TURNOVER		1,034,496	1,428,973
Administrative expenses		825,924	1,102,469
OPERATING PROFIT	3	208,572	326,504
Interest receivable and similar income		-	5
		208,572	326,509
Interest payable and similar charges	4	8,087	12,779
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		200,485	313,730
Tax on profit on ordinary activities	5	45,441	75,381
PROFIT FOR THE FINANCIAL YEAR		155,044	238,349

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The Chesterford Group Ltd (Registered number: 03531631)

Balance Sheet
31 March 2014

	Notes	31.3.14		31.3.13	
		£	£	£	£
FIXED ASSETS					
Investments	7		4,638,600		4,638,600
CURRENT ASSETS					
Debtors	8	160,026		256,346	
CREDITORS					
Amounts falling due within one year	9	<u>1,834,028</u>		<u>1,794,324</u>	
NET CURRENT LIABILITIES			<u>(1,674,002)</u>		<u>(1,537,978)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,964,598		3,100,622
CREDITORS					
Amounts falling due after more than one year	10		<u>-</u>		<u>291,068</u>
NET ASSETS			<u><u>2,964,598</u></u>		<u><u>2,809,554</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		18,339		18,339
Share premium	14		1,532,426		1,532,426
Profit and loss account	14		<u>1,413,833</u>		<u>1,258,789</u>
SHAREHOLDERS' FUNDS	17		<u><u>2,964,598</u></u>		<u><u>2,809,554</u></u>

The financial statements were approved by the Board of Directors on 21/10/14 and were signed on its behalf by:

H R Lipscombe
H R Lipscombe - Director

Cash Flow Statement
for the Year Ended 31 March 2014

	Notes	31.3.14 £	31.3.13 £
Net cash inflow from operating activities	1	316,724	1,022,351
Returns on investments and servicing of finance	2	(8,087)	(12,774)
Taxation		(106,981)	(96,522)
Equity dividends paid		-	(719,407)
		<u>201,656</u>	<u>193,648</u>
Financing	2	(200,535)	(193,451)
Increase in cash in the period		<u>1,121</u>	<u>197</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>1,121</u>	<u>197</u>
Change in net debt resulting from cash flows		<u>1,121</u>	<u>197</u>
Movement in net debt in the period		<u>1,121</u>	<u>197</u>
Net debt at 1 April		<u>(16,354)</u>	<u>(16,551)</u>
Net debt at 31 March		<u>(15,233)</u>	<u>(16,354)</u>

Notes to the Cash Flow Statement
for the Year Ended 31 March 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.14	31.3.13
	£	£
Operating profit	208,572	326,504
Decrease in debtors	96,320	101,719
Increase in creditors	11,832	594,128
	<u> </u>	<u> </u>
Net cash inflow from operating activities	<u>316,724</u>	<u>1,022,351</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.3.14	31.3.13
	£	£
Returns on investments and servicing of finance		
Interest received	-	5
Interest paid	(8,087)	(12,779)
	<u> </u>	<u> </u>
Net cash outflow for returns on investments and servicing of finance	<u>(8,087)</u>	<u>(12,774)</u>
 Financing		
Loan repayments in year	(200,535)	(200,533)
Amount introduced by directors	-	7,082
	<u> </u>	<u> </u>
Net cash outflow from financing	<u>(200,535)</u>	<u>(193,451)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.13	Cash flow	At
	£	£	31.3.14
			£
Net cash:			
Cash at bank and in hand	-	-	-
Bank overdraft	(16,354)	1,121	(15,233)
	<u> </u>	<u> </u>	<u> </u>
	(16,354)	1,121	(15,233)
	<u> </u>	<u> </u>	<u> </u>
 Total	<u>(16,354)</u>	<u>1,121</u>	<u>(15,233)</u>

Notes to the Financial Statements
for the Year Ended 31 March 2014

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis. The Directors consider this basis to be appropriate despite the fact that the balance sheet shows net current liabilities at 31 March 2014, the company is generating sufficient cash flows on a weekly basis together with the support of its bank to meet its current liabilities.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about The Chesterford Group Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Eastgate Foods Limited, a company registered in the United Kingdom.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

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

Share-based payment

The company has applied the requirements of FRS 20 Share-based Payment.

The company issues equity-settled share based payments to certain employees in the form of share options. These are measured at fair value at the date of grant. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

2. STAFF COSTS

	31.3.14	31.3.13
	£	£
Wages and salaries	690,304	962,334
Social security costs	90,679	115,973
	<u>780,983</u>	<u>1,078,307</u>

The average monthly number of employees during the year was as follows:

	31.3.14	31.3.13
Directors	-	3
Senior management	2	2
Administration	11	13
Operations managers	4	4
	<u>17</u>	<u>22</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.14	31.3.13
	£	£
Auditors' remuneration	<u>3,035</u>	<u>2,890</u>
Directors' remuneration	<u>45,312</u>	<u>336,194</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.14	31.3.13
	£	£
Bank interest	567	170
Loan note interest	7,520	12,533
Corporation tax interest	-	76
	<u>8,087</u>	<u>12,779</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.14	31.3.13
	£	£
Current tax:		
UK corporation tax	<u>45,441</u>	<u>75,381</u>
Tax on profit on ordinary activities	<u>45,441</u>	<u>75,381</u>

Factors affecting the tax charge

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

	31.3.14	31.3.13
	£	£
Profit on ordinary activities before tax	<u>200,485</u>	<u>313,730</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22.630% (2013 - 24%)	45,370	75,295
Effects of:		
Expenses & income not deductible for tax purposes	71	86
Current tax charge	<u>45,441</u>	<u>75,381</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

6. DIVIDENDS

	31.3.14	31.3.13
	£	£
Ordinary 'A' shares of £1 each		
Interim	-	688,139
Ordinary shares of £1 each		
Interim	-	31,268
	<u>-</u>	<u>719,407</u>

7. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	31.3.14	31.3.13
	£	£
Investment in subsidiary	<u>4,638,600</u>	<u>4,638,600</u>

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

Fish 'n' Chick'n Limited

Nature of business: Operates fast food retail shops and restaurants.

	%
Class of shares:	holding
Ordinary	100.00

Bankers Restaurants Limited

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

The company is sitting dormant and has no profits or reserves.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Amounts owed by group undertakings	141,266	233,604
Other debtors	18,640	22,742
Prepayments and accrued income	120	-
	<u>160,026</u>	<u>256,346</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14	31.3.13
	£	£
Bank loans and overdrafts (see note 11)	15,233	16,354
Trade creditors	145	1,501
Loan notes	200,534	110,001
Corporation tax	13,841	75,381
Other creditors	1,364	3,806
Amount due to subsidiary	1,522,545	1,439,527
Other taxes & social security	70,338	102,948
Directors' current accounts	6,864	6,864
Accrued expenses	3,164	37,942
	<u>1,834,028</u>	<u>1,794,324</u>

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

	31.3.14	31.3.13
	£	£
Loan notes	-	291,068
	<u>-</u>	<u>291,068</u>

11. LOANS

An analysis of the maturity of loans is given below:

	31.3.14	31.3.13
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>15,233</u>	<u>16,354</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.14	31.3.13
	£	£
Bank overdrafts	<u>15,233</u>	<u>16,354</u>

There is an Unscheduled Mortgage Debenture dated 3 March 2008, incorporating a fixed and floating charge over all current and future assets of the company.

There is also a Unlimited Multilateral Guarantee dated 13 December 2012, between Fish 'n' Chick'n Limited, The Chesterford Group Limited and Eastgate Foods Limited.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.14	31.3.13
			£	£
10,685	Ordinary 'A'	£1	10,685	10,685
7,654	Ordinary	£1	7,654	7,654
			<u>18,339</u>	<u>18,339</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

13. CALLED UP SHARE CAPITAL - continued

Both classes of shares rank pari-passu in all respect.

14. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 April 2013	1,258,789	1,532,426	2,791,215
Profit for the year	155,044		155,044
At 31 March 2014	<u>1,413,833</u>	<u>1,532,426</u>	<u>2,946,259</u>

15. ULTIMATE PARENT COMPANY

Eastgate Foods Limited is regarded by the directors as being the company's ultimate parent company.

The group accounts can be obtained from Chesterford House, 14 Stansted Distribution Centre, Start Hill, Bishop's Stortford, Hertfordshire, CM22 7DG.

16. RELATED PARTY DISCLOSURES

H R Lipscombe

A director of the company.

During the year, dividends amounting to £nil (2013 - £21,508) were paid to H Lipscombe.

	31.3.14 £	31.3.13 £
Amount due to related party at the balance sheet date	<u>6,864</u>	<u>6,864</u>

J S Lipscombe

A director of the company.

During the year, dividends amounting to £nil (2013 - £7,999) were paid to J Lipscombe.

P J Goodgame

A director of the company.

During the year, dividends amounting to £nil (2013 - £377) were paid to P Goodgame.

Fish 'n' Chick'n (Ware) Limited

A company controlled by a close relation of a director.

During the year, management charges amounting to £nil (2013 - £26,875) were received from Fish 'n' Chick'n (Ware) Limited.

H R Lipscombe Children's Trust

A company in which a director is a beneficiary

	31.3.14 £	31.3.13 £
Amount due to related party at the balance sheet date	<u>360</u>	<u>1,800</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.14	31.3.13
	£	£
Profit for the financial year	155,044	238,349
Dividends	-	(719,407)
Share premium account		
Share buy back		
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	155,044	(481,058)
Opening shareholders' funds	2,809,554	3,290,612
	<hr/>	<hr/>
Closing shareholders' funds	<u>2,964,598</u>	<u>2,809,554</u>

18. ENTERPRISE MANAGEMENT INCENTIVE SCHEME

On 15 April 2005 the company approved the Chesterford Group Limited Enterprise Management Incentive Scheme. On 25 June 2005 the company granted share options over a total of 183 ordinary shares to one employee. During the year no options were exercised (2013 - £Nil). On 2 August 2013 the scheme was closed and transferred to Eastgate Foods Limited.