

**Strategic Report, Report of the Directors and**  
**Financial Statements for the Period 1 April 2020 to 31 December 2020**  
**for**  
**Eastgate Foods Limited**

**Contents of the Financial Statements**  
**for the Period 1 April 2020 to 31 December 2020**

	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Report of the Directors</b>	3
<b>Report of the Independent Auditors</b>	5
<b>Income Statement</b>	9
<b>Other Comprehensive Income</b>	10
<b>Statement of Financial Position</b>	11
<b>Statement of Changes in Equity</b>	12
<b>Notes to the Financial Statements</b>	13

**Eastgate Foods Limited**

**Company Information**  
**for the Period 1 April 2020 to 31 December 2020**

**DIRECTORS:**

H R Lipscombe  
J S Lipscombe  
P J Goodgame

**SECRETARY:**

J P Lawes

**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 Period 1 April 2020 to 31 December 2020**

The directors present their strategic report for the period 1 April 2020 to 31 December 2020.

**REVIEW OF BUSINESS**

The company was dormant during the year in line with expectations. The financial position of the company is as shown in the financial statements.

**PRINCIPAL RISKS AND UNCERTAINTIES**

During the course of its business the Company is exposed to relatively low levels of financial risks which are dealt with in the next paragraph. Other risks include, but are not limited to the failure to comply with legislative and regulatory requirements including environmental and litigation failures, business continuity and the actions of customers and competitors. The Company has implemented risk controls and loss mitigation plans but cannot give absolute assurance that such procedures will be effective in identifying or controlling each of the operational risks faced by the Company.

**FINANCIAL RISK MANAGEMENT POLICIES**

The overall aim of the Company's financial risk management policy is to minimise potential adverse effects on financial performance and net assets. In the course of the business, the Company is exposed primarily to liquidity risk and interest risk.

The Company manages the principal financial risk within policies and operating parameters approved by the Board of Directors. The Company does not enter into speculative transactions.

**i) Liquidity risk**

The Company has loans from other group companies and an overdraft with its bankers. The Group it is a part of has loans from its bankers. These loans are taken on to finance the expansion of the group's business activities. Despite the company showing net current liabilities, the directors consider the liquidity risk mitigated as the group is almost entirely a cash based business and the directors have a policy of keeping the net current liabilities at a level that the cash generated by the group's business activities can comfortably support.

**ii) Interest risk**

The Company and the group it is a part of carries loans as discussed above. Due to the current low rate of interest, there is an interest rate risk to the Company and its group if interest rates increase significantly. The directors consider the interest rate risk to be mitigated as the groups profitability and the cash generated by the group's business activities provide significant headroom to cover any interest rate increase and the directors have a policy of not allowing this headroom to be significantly reduced.

**ON BEHALF OF THE BOARD:**

J S Lipscombe - Director

1 April 2021

**Report of the Directors**  
**for the Period 1 April 2020 to 31 December 2020**

The directors present their report with the financial statements of the company for the period 1 April 2020 to 31 December 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of a dormant 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 (2020 - £Nil).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2020 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 Strategic Report, 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.

**Report of the Directors**  
**for the Period 1 April 2020 to 31 December 2020**

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

J S Lipscombe - Director

1 April 2021

**Report of the Independent Auditors to the Members of**  
**Eastgate Foods Limited**

**Opinion**

We have audited the financial statements of Eastgate Foods Limited (the 'company') for the period ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020;
- 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of**  
**Eastgate Foods Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



**Report of the Independent Auditors to the Members of**  
**Eastgate Foods Limited**

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit, in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identification during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:-

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that related to the reporting framework (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions that the company operates.
- In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being those relating to the environment, occupational health and safety and government support schemes available throughout the Covid 19 pandemic.
- We obtained an understanding to how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of supporting licensing documentation.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand the systems and controls of the company. We also considered remuneration packages and the influence this has on the financial results of the company to provide reasonable assurance that the financial statements were free from fraud and error.
- Generally, the Covid 19 pandemic has increased inherent risk of detection fraud due to an increase in remote working. We have considered the impact of this when designing our audit approach.
- Based on our understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified in the paragraphs above. Our procedures involved; journal entry testing; focusing on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of management and focused testing in relation to revenue and management override.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of**  
**Eastgate Foods Limited**

**Use of our report**

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.

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

1 April 2021

**Income Statement**  
**for the Period 1 April 2020 to 31 December 2020**

	Notes	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
<b>TURNOVER</b>		-	-
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		-	-
Tax on profit	4	-	-
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		-	-

The notes form part of these financial statements

**Other Comprehensive Income**  
**for the Period 1 April 2020 to 31 December 2020**

Notes	Period	Year Ended
	1.4.20 to 31.12.20 £	31.3.20 £
<b>PROFIT FOR THE PERIOD</b>	-	-
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	-	-
<b>FOR THE PERIOD</b>	-	-

The notes form part of these financial statements

**Eastgate Foods Limited (Registered number: 03531631)**

**Statement of Financial Position**  
**31 December 2020**

	Notes	31.12.20 £	£	31.3.20 £	£
<b>FIXED ASSETS</b>					
Investments	5		4,638,600		4,638,600
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>1,539,261</u>		<u>1,539,261</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,539,261)</u>		<u>(1,539,261)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,099,339</u>		<u>3,099,339</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		18,339		18,339
Share premium	9		1,532,426		1,532,426
Retained earnings	9		<u>1,548,574</u>		<u>1,548,574</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>3,099,339</u>		<u>3,099,339</u>

The financial statements were approved by the Board of Directors and authorised for issue on 1 April 2021 and were signed on its behalf by:

J S Lipscombe - Director

The notes form part of these financial statements

**Statement of Changes in Equity**  
**for the Period 1 April 2020 to 31 December 2020**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1 April 2019</b>	18,339	1,548,574	1,532,426	3,099,339
<b>Changes in equity</b>				
<b>Balance at 31 March 2020</b>	18,339	1,548,574	1,532,426	3,099,339
<b>Changes in equity</b>				
<b>Balance at 31 December 2020</b>	18,339	1,548,574	1,532,426	3,099,339

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Period 1 April 2020 to 31 December 2020**

**1. STATUTORY INFORMATION**

Eastgate Foods Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 December 2020, due to the continuing support of The Chesterford Group Limited a company under the control of Mr H R Lipscombe.

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Preparation of consolidated financial statements**

The financial statements contain information about Eastgate Foods Limited 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, The Chesterford Group Limited, .

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Comparatives**

The financial statements show the results of the company for the 9 month period from 1 April 2020 to 31 December 2020. The comparative period is the 12-month period to 31 March 2020. The year end was changed during the year in order to align it with the calendar.

**3. EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 31 December 2020 nor for the year ended 31 March 2020.

The average number of employees during the period was NIL (2020 - NIL).

	Period 1.4.20 to 31.12.20 £	Year Ended 31.3.20 £
Directors' remuneration	—	—

**4. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the period ended 31 December 2020 nor for the year ended 31 March 2020.

**Notes to the Financial Statements - continued**  
**for the Period 1 April 2020 to 31 December 2020**

**5. FIXED ASSET INVESTMENTS**

Investments (neither listed nor unlisted) were as follows:

	31.12.20	31.3.20
	£	£
Investment in subsidiary	<u>4,638,600</u>	<u>4,638,600</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Fish 'n' Chick'n Limited**

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

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

	%
Class of shares:	holding
Ordinary	100.00

**Bankers Restaurants Limited**

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

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary	100.00

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

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

	31.12.20	31.3.20
	£	£
Amount due to subsidiary	<u>1,539,261</u>	<u>1,539,261</u>

**7. SECURED DEBTS**

The following secured debts are included within creditors:

31.12.20	31.3.20
£	£

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, Eastgate Foods Limited and The Chesterford Group Limited



**Notes to the Financial Statements - continued**  
**for the Period 1 April 2020 to 31 December 2020**

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	31.12.20	31.3.20
Number:	Class:		£	£
10,685	Ordinary 'A'	£1	10,685	10,685
7,654	Ordinary	£1	<u>7,654</u>	<u>7,654</u>
			<u>18,339</u>	<u>18,339</u>

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

**9. RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 April 2020	1,548,574	1,532,426	3,081,000
Profit for the period	-	-	-
At 31 December 2020	<u>1,548,574</u>	<u>1,532,426</u>	<u>3,081,000</u>

**10. ULTIMATE PARENT COMPANY**

The Chesterford Group 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.

**11. RELATED PARTY DISCLOSURES**

**Entities with control, joint control or significant influence over the entity**

	31.12.20 £	31.3.20 £
Amount due to related party	<u>46,173</u>	<u>46,173</u>

**Entities over which the entity has control, joint control or significant influence**

	31.12.20 £	31.3.20 £
Amount due to related party	<u>1,493,088</u>	<u>1,493,088</u>

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

If repayment of the above balances which are interest free and due on demand was requested, the group would consider securing the necessary finance to be made available to the Company sufficient for it to meet its obligation.

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.