

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2020
for
Eastgate Foods Limited

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for the Year Ended 31 March 2020

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Eastgate Foods Limited
Company Information
for the Year Ended 31 March 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 Year Ended 31 March 2020

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

17 September 2020

Report of the Directors
for the Year Ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year 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 (2019 - £Nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 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.

AUDITORS

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

ON BEHALF OF THE BOARD:

J S Lipscombe - Director

17 September 2020

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 year ended 31 March 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 March 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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.

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. This description forms part of our Report of the Auditors.

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

22 September 2020

Eastgate Foods Limited (Registered number: 03531631)

Income Statement
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
TURNOVER		—	—
OPERATING PROFIT and			
PROFIT BEFORE TAXATION		-	-
Tax on profit	4	—	—
PROFIT FOR THE FINANCIAL YEAR		—	—

The notes form part of these financial statements

Eastgate Foods Limited (Registered number: 03531631)

Other Comprehensive Income
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
PROFIT FOR THE YEAR		-	-
OTHER COMPREHENSIVE INCOME		_____ -	_____ -
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		===== -	===== -

The notes form part of these financial statements

Eastgate Foods Limited (Registered number: 03531631)

Statement of Financial Position
31 March 2020

	Notes	31.3.20 £	£	31.3.19 £	£
FIXED ASSETS					
Investments	5		4,638,600		4,638,600
CREDITORS					
Amounts falling due within one year	6	<u>1,539,261</u>		<u>1,539,261</u>	
NET CURRENT LIABILITIES			<u>(1,539,261)</u>		<u>(1,539,261)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,099,339</u>		<u>3,099,339</u>
CAPITAL AND RESERVES					
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>
SHAREHOLDERS' FUNDS			<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 17 September 2020 and were signed on its behalf by:

J S Lipscombe - Director

The notes form part of these financial statements

Eastgate Foods Limited (Registered number: 03531631)

Statement of Changes in Equity
for the Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2018	18,339	1,548,574	1,532,426	3,099,339
Changes in equity				
Balance at 31 March 2019	18,339	1,548,574	1,532,426	3,099,339
Changes in equity				
Balance at 31 March 2020	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 Year Ended 31 March 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 March 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.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 March 2020 nor for the year ended 31 March 2019.

The average number of employees during the year was NIL (2019 - NIL).

	31.3.20	31.3.19
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2020 nor for the year ended 31 March 2019.

5. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	31.3.20	31.3.19
	£	£
Investment in subsidiary	<u>4,638,600</u>	<u>4,638,600</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

5. FIXED ASSET INVESTMENTS - continued

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

	31.3.20	31.3.19
	£	£
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:

31.3.20	31.3.19
£	£

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

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.20	31.3.19
			£	£
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.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

9. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 April 2019	1,548,574	1,532,426	3,081,000
Profit for the year	-	-	-
At 31 March 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

	31.3.20 £	31.3.19 £
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

	31.3.20 £	31.3.19 £
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.