Tasty plc

Report and Financial Statements

52 weeks ended

30 December 2012

Company Number 5826464

Contents

Page:

1	Directors and information
2	Chairman's statement
4	Report of the Directors
8	Report of the independent auditors
10	Consolidated statement of comprehensive income
11	Consolidated statement of changes in equity
12	Company statement of changes in equity
13	Consolidated balance sheet
14	Company balance sheet
15	Consolidated cash flow statement
17	Company cash flow statement
18	Notes forming part of the financial statements
44	Notice of annual general meeting

Directors and information

Directors

Keith Lassman (Non-Executive Chairman)
Jonny Plant (Chief Executive Officer)
Samuel Kaye (Executive Director)
Adam Kaye (Non-Executive Director)

Secretary and registered office

Keith Lassman, 32 Charlotte St, London, W1T 2NQ

Company number

5826464

Independent Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Solicitors

HowardKennedyFsi LLP, 19 Cavendish Square, London, W1A 2AW

Glovers, 115 Park Street, London, W1K 7DY

Bankers

Barclays Bank plc, 1 Churchill Place, London, E14 5HP

Nominated advisers and stockbrokers

Cenkos Securities plc, 6,7,8 Tokenhouse Yard, London, EC2R 7AS

Registrars

Computershare Investor Services Plc, P O Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY

I am pleased to be reporting on the Group's profitable results of some £1,277,000 (1 January 2012 - £1,276,000). The results are for the 52 week period ended 30 December 2012 and a comparative to the 52 week period ended 1 January 2012.

During the year five new Wildwood restaurants were opened, and the former Cambridge Chez Gerard restaurant was converted into a Wildwood restaurant. The Group had twenty-three restaurants in operation at the year-end – 6 DimTs, 17 Wildwoods. As of today, the Board is pleased to say it has twenty-six restaurants in operation - 6 DimTs and 20 Wildwoods.

Results

Revenue for the year was up 33% on last year to £19,315,000 (1 January 2012 - £14,565,000).
Operating profit before pre-opening costs and non-trading items was £1,717,000 (1 January 2012 - £1,164,000). Pre-opening costs for the period totalled £403,000 (1 January 2012 - £110,000).

The overall statutory pre-tax profit was £1,552,000 (1 January 2012 - £1,066,000).

The Board does not recommend the payment of a dividend at this stage of the Group's development.

Openings

Five new Wildwood restaurants were opened during the year: at Epping in March; Market Harborough in April; Ely and Bow St both in May and Canterbury in October. The former Chez Gerard site at Cambridge acquired in December 2011 was closed in February and re-opened as a Wildwood restaurant in March 2012.

Since the year end the Group’s two Cafe Pasta restaurants at Shaftesbury Avenue and Stratford-upon-Avon acquired in November 2011, were successfully converted into a new sub-brand of Wildwood, Wildwood Kitchen. We have also successfully opened a new Wildwood Kitchen at Didcot in March 2013 and two Wildwood restaurants in South Woodford and Newmarket in April 2013; with a number of other sites already in the pipeline, at various stages of completion and negotiation.

Cash flows

Net cash outflow for the period before financing was £1,370,000 (1 January 2012 - £911,000). This is largely represented by capital expenditure on the expansion of the business through the opening and acquisition of the above sites. Cash flows from operating activities increased to £2,398,000 (1 January 2012 - £1,742,000).

During the period a new loan facility of £2,500,000 was negotiated, of which at 30 December 2012 £1,000,000 was called down. This gave rise to a £68,000 finance expense during the period (1 January 2012 - £Nil).

Net cash and cash equivalents held at the end of the year were £1,611,000 (1 January 2012 - £2,008,000).

Pre-opening costs

Pre-opening costs have been highlighted in the income statement as these costs represent revenue expenses, including rent free periods, which give rise to a charge under technical accounting rules, which are necessarily incurred in the period prior to a new unit being opened, but which are specific to the opening of that unit and not part of the Group's normal ongoing trading performance.

Review of the business

2012 has proved to be a year of considered expansion, with five new sites successfully opened, which will only show their true value on a full year of trading without the initial pre-opening costs. Further new openings are in the pipeline for 2013.

The Group continually looks to update its menus and for much of the year has successfully offered promotions to encourage growth in sales although less aggressively than in previous years. Management have continued to focus on food and labour margins and these continue to be kept under constant review. This has resulted in a considerable improvement in the trading position of the Group despite the continuing challenging economic climate in the United Kingdom.

Staff

As ever, it is our dedicated staff that have contributed significantly throughout the year to the Group's much improved performance, and I would like to take this opportunity of thanking them again for their hard work and effort.

Current Trading

Since the year end trading has been in line with expectations.

……………………………………
Keith Lassman
Chairman

23 April 2013

The directors present their report together with the audited financial statements for the 52 weeks ended 30 December 2012 (comparative period 52 weeks to 1 January 2012).

Results and dividends

The consolidated statement of comprehensive income is set out on page 10 and shows the profit for the period.

The directors do not recommend the payment of a dividend (1 January 2012 - £nil).

Principal activities, trading review and future developments

The Group's principal activity is the operation of restaurants. During the period the Group opened 5 new Wildwood restaurants and converted a previously acquired trading site.

Revenue for the 52 week period ended 30 December 2012 was up 33% on last year to £19,315,000 (1 January 2012 - £14,565,000). Operating profit before pre-opening costs was £1,717,000 (1 January 2012 - £1,164,000). Pre-opening costs for the period totalled £403,000 (1 January 2012 - £110,000). The overall statutory pre-tax profit was £1,552,000 (1 January 2012 - £1,066,000).

The directors utilise a large number of detailed performance indicators which are used to manage the business but, as with most businesses, the focus in the Income Statement at the top level is on sales, margins and overheads compared to budget and the previous year. In the balance sheet the focus is on managing working capital.

The directors recognise the importance of customer relations and staff are extensively trained in this regard. Performance is monitored by reference to the results of regular mystery diner visits and staff bonuses are calculated with the results and comments arising from these visits and other customer feedback as a significant factor.

A further review of the business is included in the Chairman's Statement on page 2

Principal uncertainties and risks

Economic uncertainty
The economy continues to be in a relatively depressed state with high levels of both personal taxation and VAT affecting households net spend Public confidence is still at a low level with uncertainty regarding matters such as job security and this may affect consumers decisions to spend discretionary income on items such as eating out. However, we believe that our price point within the market place, being above fast food but below fine dining, means that we are well placed to continue our success in these market conditions and these results, we believe demonstrate that.

Operational risks
The Group acknowledges the importance of maintaining the profile of its brands and its image within the market. To this end a system is in place to regularly monitor customer experience and comments through mystery diner visits, and a customer feedback process is also maintained and reviewed through social networking sites.

Strategic risks
In spite of the general state of the economy, the acquisition of suitable and well located quality sites in order to continue the Group's expansion is proving to be demanding. However, the Group has a strong and experienced property acquisition team with good relationships with external agents and advisers.

Directors

The directors of the Group during the period were as follows

Executive
Jonny Plant
Samuel Kaye

Non-Executive
Keith Lassman
Adam Kaye

Executive share option scheme

	Date of grant	Number of shares	Exercise price per share	Exercisable Between
Jonny Plant	26 June 2006	388,402	£0.18	June 2006 - June 2016
Keith Lassman	27 June 2006	19,230	£0.52	June 2008 - June 2016
Jonny Plant	8 December 2009	141,520	£0.35	November 2012 - November 2019
Keith Lassman	8 December 2009	100,000	£0.35	November 2012 - November 2019
Jonny Plant	27 June 2011	500,000	£0.515	June 2011 - June 2021 if share price reaches £1
Keith Lassman	27 June 2011	100,000	£0.515	June 2011 - June 2021 if share price reaches £1
Adam Kaye	27 June 2011	500,000	£0.515	June 2011 - June 2021 if share price reaches £1
Samuel Kaye	27 June 2011	500,000	£0.515	June 2011 - June 2021 if share price reaches £1
		2,249,152		

Directors' responsibilities

The directors are responsible for preparing the annual report 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 Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Group and Company and of the profit or loss of the Group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

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;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, 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 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 requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Creditor payment policy

The Group has a standard policy and also agrees specific individual terms with certain suppliers. Payment is normally made in accordance with those terms, subject to the suppliers' own performance. The creditor days of the Group at the period end were 30 days (1 January 2012 - 20 days). The Company has no suppliers.

Employees

Applications from disabled persons are given full consideration providing the disability does not seriously affect the performance of their duties. Such persons, once employed, are given appropriate training and equal opportunities.

The Group takes a positive view towards employee communication and has established systems for ensuring employees are informed of developments and that they are consulted regularly.

Donations

The Group made no charitable or political donations in the period (1 January 2012 - none).

Financial Instruments

Details of the use of financial instruments and the principal risks faced by the Group are contained in note 3 to the financial statements.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board

D J Plant
Director

23 April 2013

TO THE MEMBERS OF TASTY PLC

We have audited the financial statements of Tasty plc for the period ended 30 December 2012 which comprise the consolidated statement of comprehensive income, the group and company statements of changes in equity, the group and company balance sheets, the group and company cash flow statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 an auditor's report 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, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 30 December 2012 and of the group's profit for the period then ended;

- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;

- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the directors' report for the financial period 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Matthew White (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

23 April 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Tasty plc

Consolidated Statement of Comprehensive Income for the 52 weeks ended 30 December 2012

	Note	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
Revenue	**4**	**19,315**	14,565
Cost of sales		**(17,221)**	(12,946)
Gross profit		**2,094**	1,619
Administrative costs		**(480)**	(565)
Operating profit excluding pre-opening costs		**1,717**	1,164
Pre-opening costs		**(403)**	(110)
Reversal of impairment of property, plant and equipment	10	**300**	-
Operating profit	5	**1,614**	1,054
Finance income		**6**	12
Finance expense	6	**(68)**	-
Profit before taxation		**1,552**	1,066
Income tax	11	**(275)**	210
Profit and total comprehensive income for the period - attributable to equity shareholders		**1,277**	1,276
Profit per ordinary share			
Basic	12	**2.67p**	2.67p
Diluted	12	**2.61p**	2.64p

The notes on pages form part of these financial statements.

Tasty plc

Consolidated statement of changes in equity as at 30 December 2012

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained deficit £'000	Total Equity £'000
Balance at 2 January 2011	4,784	10,350	992	(6,432)	9,694
Total comprehensive income for the period	-	-	-	1,276	1,276
Share based payments - credit to equity	-	-	-	29	29
Balance at 1 January 2012	4,784	10,350	992	(5,127)	10,999
Issue of ordinary shares	6	9	-	-	15
Total comprehensive income for the period	-	-	-	1,277	1,277
Share based payments - credit to equity	-	-	-	56	56
Balance at 30 December 2012	4,790	10,359	992	(3,794)	12,347

The notes on pages 18 to 43 form part of these financial statements.

Tasty plc

Company statement of changes in equity as at 30 December 2012

	Share premium £'000	Merger reserve £'000	Retained deficit £'000	Total equity £'000
Balance at 2 January 2011	4,784	10,350	(5,440)	9,694
Changes in equity for 2011				
Total comprehensive income for the period	-	-	1,276	1,276
Share based payments - credit to equity	-	-	29	29
Balance at 2 January 2012	4,784	10,350	(4,135)	10,999
Changes in equity for 2012				
Issue of ordinary shares	6	9	-	15
Total comprehensive income for the period	-	-	1,277	1,277
Share based payments - credit to equity	-	-	56	56
Balance at 30 December 2012	4,790	10,359	(2,802)	12,347

The notes on pages 18 to 43 form part of these financial statements.

Tasty plc

Consolidated balance sheet as at 30 December 2012

	Note	30 December 2012 £'000	30 December 2012 £'000	1 January 2012 £'000	1 January 2012 £'000
Assets					
Non-current assets					
Intangible assets	14	**448**		450	
Property, plant and equipment	15	**11,791**		8,546	
Pre-paid operating lease charges	16	**1,747**		1,382	
Deferred tax asset	22	**185**		460	
Other receivables	19	**486**		451	
Total non-current assets			**14,657**		11,289
Current assets					
Inventories	18	**689**		499	
Trade and other receivables	19	**1,107**		711	
Pre-paid operating lease charges	16	**87**		67	
Cash and cash equivalents	30	**1,611**		2,008	
Total current assets			**3,494**		3,285
Total assets			**18,151**		14,574
Liabilities					
Non-current liabilities					
Accrual for lease incentives		**206**		200	
Provisions	21	**75**		85	
Total non-current liabilities			**281**		285
Current liabilities					
Trade and other payables	20	**4,523**		3,290	
Bank borrowings	20	**1,000**		-	
Total current liabilities			**5,523**		3,290
Total liabilities			**5,804**		3,575
TOTAL NET ASSETS			**12,347**		10,999
Capital and reserves attributable to equity holders of the parent					
Share capital	23		**4,790**		4,784
Share premium account	24		**10,359**		10,350
Retained deficit	24		**(3,794)**		(5,127)
Merger reserve	24		**992**		992
TOTAL EQUITY			**12,347**		10,999

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2013

D J Plant

The notes on pages form part of these financial statements.

Tasty plc

Company balance sheet at 30 December 2012

Company number 5826464	**Note**	**30 December 2012 £'000**	**30 December 2012 £'000**	**1 January 2012 £'000**	**1 January 2012 £'000**
Assets					
Non-current assets					
Investments	17	**2,353**		2,297	
Other receivables	19	**9,025**		7,699	
Total non-current assets			**11,378**		9,996
Current assets					
Trade and other receivables	19	**969**		1,003	
Total current assets			**969**		1,003
TOTAL NET ASSETS			**12,347**		10,999
Capital and reserves attributable to equity holders of the parent					
Share capital	23		**4,790**		4,784
Share premium account	24		**10,359**		10,350
Retained deficit	24		**(2,802)**		(4,135)
TOTAL EQUITY			**12,347**		10,999

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2013

D J Plant

The notes on pages 18 to 43 form part of these financial statements.

Consolidated cash flow statement for the 52 weeks ended 30 December 2012

	52 weeks ended 30 December 2012 £'000	**52 weeks ended 30 December 2012 £'000**	**52 weeks ended 1 January 2012 £'000**	**52 weeks ended 1 January 2012 £'000**
Cash flows from operating activities				
Profit for the period before taxation	**1,552**		1,066	
Adjustments for:				
Depreciation	**830**		582	
Amortisation	**2**		2	
Impairment reversal	**(300)**		-	
Onerous lease provision movement	**(10)**		(15)	
Equity settled share-based payment expense	**56**		29	
Finance income	**(6)**		(12)	
Finance expense	**68**		-	
Gain on sale of property, plant and equipment	**-**		-	
Cash flows from operating activities before changes in working capital	**2,192**		1,652	
Increase in trade and other receivables	**(816)**		(537)	
Increase in inventories	**(190)**		(43)	
Increase in trade and other payables	**1,212**		670	
Cash generated from operations		**2,398**		1,742
Income tax received		**-**		-
Net cash flows from operating activities carried forward		**2,398**		1,742

The notes on pages 18 to 43 form part of these financial statements.

Tasty plc

Consolidated cash flow statement for the 52 weeks ended 30 December 2012 ***(Continued)***

	Note	52 weeks ended 30 December 2012 £'000	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000	52 weeks ended 1 January 2012 £'000
Cash flows from operating activities brought forward			**2,398**		1,742
Investing activities					
Purchases of property, plant and equipment		**(3,774)**		(1,607)	
Purchase of intangible assets		**-**		-	
Acquisition (see note 31)		**-**		(1,058)	
Sale of property, plant and equipment		**-**		-	
Interest received		**6**		12	
Net cash outflow from investing activities			**(3,768)**		(2,653)
Financing activities					
Issue of ordinary shares		**15**		-	
Bank loan receipt		**1,500**		-	
Bank loan repaid		**(500)**		-	
Interest paid		**(42)**		-	
Net cash from financing activities			**973**		-
Net increase in cash and cash equivalents			**(397)**		(911)
Cash and cash equivalents at beginning of period			**2,008**		2,919
Cash and cash equivalents at end of period	30		**1,611**		2,008

The notes on pages form part of these financial statements.

Tasty plc

Company cash flow statement for the 52 weeks ended 30 December 2012

	Note	52 weeks ended 30 December 2012 £'000	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000	52 weeks ended 1 January 2012 £'000
Cash flows from operating activities					
Profit for the period before taxation		**1,221**		1,066	
Adjustments for:					
Equity settled share-based payment expense		**56**		-	
Cash flows from operating activities before changes in working capital		**1,277**		1,066	
Increase in trade and other receivables		**(1,277)**		(1,066)	
Net cash flows from operating activities			**-**		-
Net increase in cash and cash equivalents			**-**		-
Cash and cash equivalents at beginning of period			**-**		-
Cash and cash equivalents at end of period			**-**		-

The notes on pages 18 to 43 form part of these financial statements.

1 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards (IASB) as adopted by European Union ("adopted IFRSs").

The financial statements are presented in sterling, rounded to the nearest thousand.

Changes to accounting policies since the last period

The following standards and interpretations, issued by the IASB or the International Financial Reporting Interpretations Committee (IFRIC), are also effective for the first time in the current financial year and have been adopted by the Group with no significant impact on its results or financial position for the current reporting period:

- Amendment to IFRS 7 'Disclosures – Transfers of Financial Assets' (effective for accounting periods beginning on or after 1 July 2011). This amendment has been endorsed for use in the EU.

- Amendment to IFRS 1 'Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters' (effective for accounting periods beginning on or after 1 July 2011). This amendment has been endorsed for use in the EU.

- Amendment to IAS 12 'Deferred Tax: Recovery of Underlying Assets' (effective for accounting periods beginning on or after 1 January 2012). This amendment has been endorsed for use in the EU.

The following standards and interpretations issued by the IASB or IFRIC have not been adopted by the Group as these are not effective for the current year. The Group is currently assessing the impact these standards and interpretations will have on the presentation of its consolidated results in future periods:

- Amendment to IAS1 'Presentation of Items of Other Comprehensive Income' (effective for accounting periods beginning on or after 1 July 2012). This amendment has been endorsed for use in the EU.

- IFRS 10 'Consolidated Financial Statements' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU (the mandatory effective date for the EU-endorsed version is 1 January 2014).

- IFRS 11 'Joint Arrangements' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU (the mandatory effective date for the EU-endorsed version is 1 January 2014).

- IFRS 12 'Disclosure of Interests in Other Entities' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU (the mandatory effective date for the EU-endorsed version is 1 January 2014).

- IFRS 13 'Fair Value Measurement' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU.

- IAS 27 'Separate Financial Statements' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU (the mandatory effective date for the EU-endorsed version is 1 January 2014).

- IAS 28 'Investments in Associates and Joint Ventures' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU (the mandatory effective date for the EU-endorsed version is 1 January 2014).

- IAS 19 'Employee Benefits' (effective for accounting periods beginning on or after 1 January 2013). This interpretation has been endorsed for use in the EU.

1 Accounting policies *(continued)*

Changes to accounting policies since the last period *(continued)*

- Amendment to IFRS 7 'Disclosures - Offsetting Financial Assets and Financial Liabilities' (effective for accounting periods beginning on or after 1 January 2013). This amendment has been endorsed for use in the EU.

- Amendment to IFRS 1 'Government Loans' (effective for accounting periods beginning on or after 1 February 2010). This amendment has not yet been endorsed for use in the EU.

- Annual Improvements to IFRSs (2009-2011 Cycle) - Minor amendments to various accounting standards, effective for periods beginning on or after 1 January 2013 onwards. These amendments have not yet been endorsed for use in the EU.

- Amendments to IFRS 10, IFRS 11 and IFRS 12 'Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance' (effective for accounting periods beginning on or after 1 January 2013). This amendment has not yet been endorsed for use in the EU.

- Amendment to IAS 32 'Offsetting Financial Assets and Financial Liabilities' (effective for accounting periods beginning on or after 1 January 2014). This amendment has been endorsed for use in the EU.

- Amendments to IFRS 10, IFRS 12 and IAS 27 'Investment Entities' (effective for accounting periods beginning on or after 1 January 2014). This amendment has not yet been endorsed for use in the EU.

- IFRS 9 'Financial Instruments' (effective for accounting periods beginning on or after 1 January 2015). This amendment has not yet been endorsed for use in the EU.

Basis of consolidation

The consolidated financial statements incorporate the results of the Company and its subsidiary, Took Us A Long Time Limited. The parent Company has taken advantage of the exemption in s 408 of the Companies Act 2006 not to publish its own income statement. The accounting period of the subsidiary is co-terminous with that of the parent undertaking. The Company made a profit for the period of £1,277,000 (1 January 2012 - £1,276,000).

The financial statements cover the 52 week period ended 30 December 2012, with a comparative period of the 52 weeks ended 1 January 2012.

The merger method of accounting was used to consolidate the results of the subsidiary undertaking because the transaction was a Group reconstruction. The merger of the two companies took place on 26 June 2006 and the shares issued were recorded in the Company's balance sheet at nominal value of the shares issued plus fair value of any additional consideration. The difference between the nominal value of the shares issued and the nominal value of the shares acquired was taken to a merger reserve in the Group accounts.

Revenue

Revenue represents amounts received and receivable for goods and services provided (excluding value added tax) in the normal course of business. Revenue is recognised at the point goods and services are provided.

Pre-opening costs

Property rentals and other related overhead expenses incurred prior to a new restaurant opening are written off to the income statement in the period that they are incurred. Similarly, the costs of training new staff during the pre-opening phase are written-off as incurred. These expenses are included within cost of sales. The comparative figures for cost of sales have been restated to include £110,000 of pre-opening costs previously shown within administrative costs. There is no net impact on operating profit.

1 Accounting policies *(continued)*

Retirement benefits: Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated income statement in the period to which they relate.

Share based payments

The Group has applied the requirements of IFRS 2 Share-based payment. In accordance with the transitional provisions, the standard has been applied to all grants of equity instruments after 7 November 2002 that were unvested as at 1 January 2006. The Company operates a number of equity-settled share-based payment schemes under which share options are granted to certain employees. The costs of equity-settled transactions are measured at fair value at the date of grant. Fair value is measured using the Black-Scholes model. In determining fair value, no account is taken of any vesting conditions, other than conditions linked to the price of the company's shares (market-based conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided all other conditions are satisfied. The fair value determined at the grant date is then expensed on a straight line over the vesting period, based on the directors' best estimate of the number of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. The movement in the cumulative expense since the previous balance sheet date is recognised in the Income Statement, with the corresponding movement taken into equity.

Where the terms and conditions of options are modified before they vest or where options have been cancelled and reissued with modified terms, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

The grant by the company of options over its equity to the employees of its subsidiary in the group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Externally acquired intangible assets

Externally acquired intangible assets are initially recognised at cost less accumulated amortisation and impairment and subsequently amortised on a straight-line basis over their useful economic lives. The amortisation expense is included within the cost of sales line in the consolidated income statement.

The significant intangibles recognised by the Group and their useful economic lives are as follows:-

Intangible asset	Useful economic life
Trademarks	10 years

1 Accounting policies *(continued)*

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly over their expected useful lives and it is calculated at the following rates:-

Leasehold improvements	over the period of the lease
Fixtures, fittings and equipment	10% per annum straight line

Restaurants under construction are included in property, plant and equipment. No depreciation is provided on restaurants under construction until the asset is brought into use.

The need for any impairment is assessed by comparison of the carrying value of the asset against the higher of the value in use and net realisable value.

Impairment of non-financial assets (excluding inventories and deferred tax assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Impairment charges are included in the administrative expenses line item in the consolidated statement of comprehensive income.

Onerous leases

Where unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the expected obligation under the lease, after taking into account actions taken by the directors to minimise the future cash outflow.

Financial assets

The Group classifies its financial assets depending on the purpose for which the asset was acquired. The Group has not classified any of its financial assets as fair value through profit or loss, available for sale or as held to maturity.

1 Accounting policies *(continued)*

Loans and receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions are recognised when there is objective evidence that the Group will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet. The Company's loans and receivables comprise only inter-company receivables. Cash and cash equivalents includes cash in hand and deposits held with banks.

Financial liabilities

The Group classifies its financial liabilities depending on the purpose for which the asset was acquired. The Group has not classified any of its financial liabilities as fair value through profit or loss.

Other financial liabilities include trade payables, accrued lease charges and other short term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost.

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Leased assets

Leases are classified as finance leases whenever the terms of the lease are such that they transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases. The Group currently has no finance leases. Assets leased under operating leases are not recorded on the balance sheet.

The total rentals payable under the operating leases are charged to the consolidated income statement on a straight-line basis over the lease term. Where the group sub-let sites to tenants, the rental income and expense are offset within administrative expenses.

Lease incentives received, primarily rent-free periods, are capitalised and then systematically released to the income statement over the period of the lease term. Payments made to acquire operating leases are treated as pre-paid lease expenses and are amortised over the term of the lease.

1 Accounting policies *(continued)*

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

Deferred tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities recorded for reporting purposes and the amounts used for tax purposes. Deferred tax is calculated on an undiscounted basis, at the tax rates that are expected to apply when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Statement of Comprehensive income, except when it relates to items charged or credited directly to equity, in which case deferred tax is also dealt with in equity.

The carrying value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Business combinations

The financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Goodwill

Goodwill represents the difference between the fair value of consideration paid and the fair value of the net identifiable assets acquired in a business combination.

Goodwill is stated as originally calculated less any accumulated provision for impairment. Goodwill is allocated to individual cash generating units and is subject to an impairment review at each reporting date.

Share capital

The Group's ordinary shares are classified as equity instruments.

Dividend policy

Dividends declared after the balance sheet date are not recognised as a liability at that balance sheet date, and are recognised in the financial statements when they have received approval by shareholders.

Operating profit

Operating profit is stated after all expenses, but before financial income or expenses. Non-trading items are items of income or expense which because of their nature and the events giving rise to them, are not directly related to the delivery of the company's restaurant service to its patrons and merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

2 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

Estimates and judgements

- Share based payment

  The Group operates equity share-based remuneration schemes for employees. Employee services received, and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments at the date of grant, excluding the impact of any non-market vesting conditions. The fair value of share options is estimated by using valuation models, such as Black Scholes on the date of grant based on certain assumptions. Those assumptions are described in note 28 and include, among others, the dividend growth rate, expected volatility, expected life of the options and number of options expected to vest.

- Utility costs at restaurants

  In some cases utility costs at restaurants are estimated where invoices from utility providers have not yet been properly issued. Any such estimates are based on utility invoices received in other comparable restaurants.

- Useful lives of property, plant and equipment

  Property, plant and equipment are amortised or depreciated over their useful lives. Useful lives are based on management estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness.

- Impairment reviews

  In carrying out an impairment review in accordance with IAS 36 it has been necessary to make estimates and judgements regarding the future performance and cash flows generated by individual trading units which cannot be known with certainty. Past performance is often used as a guide in estimating future performance, or comparison with similar sites. Where the circumstances surrounding a particular trading unit have changed then forecasting future performance and the rate of discount, currently being 10%, becomes extremely judgemental and for these reasons the actual impairment required in the future may differ from the charge made in the financial statements.

- Onerous leases

  When the directors have taken the decision to stop trading from a unit, or to dispose of a unit and there is a cash outflow from operating a unit, a provision is made representing the best estimate of the expected obligations under the lease. Any such estimate is based on the best information available at the time and the actual cash outflow from the disposal of a site may be different from that provided.

3 Financial instruments - Risk Management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Liquidity risk

The Group does not have any material exposure to currency risk or other market price risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:-

- loans and borrowings
- trade receivables
- cash and cash equivalents
- trade and other payables

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below

Credit risk

Credit risk is the risk of the financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from rebates from suppliers.

Quantitative disclosures of the credit risk exposure in relation to trade and other receivables, which are neither past due nor impaired, are disclosed in the note 19.

The Group's principal financial assets are cash and trade receivables. There is minimal credit risk associated with the Group's cash balances. Cash balances are all held with recognised financial institutions. Trade receivables arise in respect of rebates from a major supplier and therefore they are largely offset by trade payables. As such the net amounts receivable form an insignificant part of the Group's business model and therefore the credit risk associated with them is also insignificant to the Group as a whole.

3 Financial instruments - Risk Management (*continued)*

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Group seeks to manage its financial risk to ensure that sufficient liquidity is available to meet foreseeable needs both in the short and long term. The Board consider detailed cashflow forecasts together with future obligations from capital projects in progress and the resulting impact on its cash balances.

Interest rate risk

The Group seeks to minimise interest costs by regularly reviewing cash balances.

Interest rate risk arises from the Group's use of interest bearing financial instruments. This is the risk that the future cash flows of the financial instrument will fluctuate because of changes in the interest rates.

The Group is exposed to cash flow interest rate risk from long term borrowings at variable rate. The Group does not seek to fix interest rates on these borrowings because the Board considers the exposure to the interest rate risk to be acceptable.

Until 14 October 2011 surplus funds were invested in fixed short term deposit accounts, when an instant access interest bearing bank account was opened. In both 2012 and 2011 this has been included as cash available on demand in accordance with note 30.

The short term deposits relate to monies held in escrow as part of sub-letting two previously underperforming restaurants.

Loans and borrowings

During the year the group obtained a loan facility from Barclays Bank Plc. Under the terms of the facility the Group may borrow up to a maximum of £2.5m. Interest on this facility is charged at 2.95% above LIBOR plus a variable charge for mandatory associated costs of the lender for all amounts drawn down, with a 1.48% charge on any amounts of the facility that is not drawn down.

At 30 December 2012 if the Bank of England base rate had been 1% higher / lower with all other variables held constant this would not have resulted in any significant variance in the profit or loss or net assets of the group.

The bank loans are secured by a legal charge over the issued share capital of the Group companies, a legal charge over all the Group's trading sites, and a cross guarantee between Group companies.

Capital disclosures

The Group considers its capital to comprise the ordinary share capital, share premium and retained earnings.

The Group's objective when maintaining capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group manages its capital structure and makes adjustments to it in the light of strategic plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

4 Revenue

Revenue is wholly attributable to the principal activity of the Group and arises solely in the United Kingdom.

5 Operating profit

Group	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
This has been arrived at after charging:		
Staff costs (see note 7)	**6,954**	5,126
Share based payments (see notes 7 and 28)	**56**	29
Operating lease rentals	**2,304**	1,540
Amortisation of intangible fixed assets	**2**	2
Depreciation	**830**	582
Pre-opening costs	**403**	110
Auditors' remuneration		
Audit fee		
- Audit of parent Company	**8**	8
- Audit of Group financial statements	**10**	10
- Audit of subsidiary undertaking	**20**	20
Other services		
- Taxation services	**7**	5
- Others	**10**	9

6 Finance expense

	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
Loan interest payable	**68**	-
	68	-

7 Staff costs

Staff costs for all employees, including directors, consist of

	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
Wages and salaries	**6,426**	4,730
Social security costs	**501**	362
Other pension costs	**27**	34
Equity settled share based payment expense (note 28)	**56**	29
	7,010	5,155

The average number of persons, including executive directors, employed by the Group during the period was 453, of which 444 were restaurant staff and 9 were administration staff, (1 January 2012 - 325 of which 317 were restaurant staff and 8 were administration staff). No staff are employed by the Company.

Of the total staff costs £6,396,000 was classified as cost of sales (1 January 2012 - £4,769,000) and £614,000 as administrative expenses (1 January 2012 - £387,000).

8 Directors and key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and represent the directors of the Company listed on page 1. Details of options held by directors can be found on page 5.

	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
Remuneration		
Emoluments	**295**	188
Share based payment expense	**56**	29
Benefits in kind – healthcare provision	**13**	-
Total emoluments	**364**	217

Directors' emoluments for the period are as follows:

	52 weeks Ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
J Plant	**120**	94
S Kaye	**110**	43
A Kaye	**40**	31
K Lassman	**25**	20
Total emoluments	**295**	188

In addition to the emoluments above, benefits in kind for the period were provided to J Plant of £5,160, S Kaye of £3,861 and A Kaye of £3,861.

8 Directors and key management personnel remuneration *(continued)*

Social security costs in respect of directors emoluments amounted to £36,000 (1 January 2012 - £22,000).

During the period, no director (1 January 2012 - nil) accrued benefits under money purchase pension schemes.

Company
The Company had no employees during the period except for the four directors. No emoluments were paid by the Company.

9 Segment information

The Group operates in one operating and geographical segment, being the UK restaurant market. The chief operating decision maker, which has been determined to be the Board, reviews each individual restaurant as an operating segment with the only aggregation being at total consolidated level, as the risks and commercial strategy are the same for all brands operated. No additional segmental information is therefore presented.

10 Non-trading items - credited to administrative expenses

A review of the impairments made in previous years has resulted in a reversal of a provision made at Winchester, where performance has improved to such a degree that it is now appropriate to reverse £300,000 of previous impairment. This has increased operating profit by £300,000. No other adjustment has been made (£nil).

11 Tax on profit on ordinary activities

	52 weeks ended 30 December 2012 £'000	52 weeks ended 1 January 2012 £'000
(a) Analysis of charge for the period		
Current tax		
UK corporation tax on profits of the period	**-**	-
Current tax charge for period		-
Deferred tax		
(Utilisation)/recognition of tax losses	**(120)**	210
Origination and reversal of temporary differences	**(110)**	-
Impact of change in future rate of taxation	**(45)**	-
Total deferred tax	**(275)**	210
Total income tax (charge) / credit	**(275)**	210

(b) Factors affecting tax charge for the period

The tax charge for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	52 weeks Ended 30 December 2012 £'000	52 weeks Ended 1 January 2012 £'000
Profit on ordinary activities before tax	**1,552**	1,066
Profit on ordinary activities multiplied by average standard rate of corporation tax in the UK of 24.5% (1 January 2012 – 26.5%)	**380**	282
Effects of:		
Expenses not deductible for tax purposes	**47**	16
(Decrease) in tax losses carried forward	**(152)**	(298)
Recognition of losses carried forward	**-**	(210)
Total tax charge / (credit) (see (a) above)	**275**	(210)

12 Profit per ordinary share (EPS)

	52 weeks ended 30 December 2012	52 weeks ended 1 January 2012
Numerator	**£'000**	**£'000**
Profit for the period	**1,277**	1,276
Denominator		
	Number '000	**Number '000**
Weighted average number of ordinary shares (basic)	**47,841**	47,836
Weighted average number of ordinary shares (diluted)	**48,890**	48,328
Basic profit per ordinary share (pence)	**2.67p**	2.67p
Diluted profit per ordinary share (pence)	**2.61p**	2.64p

2,015,000 share options have been excluded when calculating the diluted EPS as they were anti-dilutive (1 January 2012 - 2,553,460).

13 Dividend

No final dividend has been proposed by the directors (1 January 2012 - nil).

14 Intangible assets

Group	**Trademarks £'000**	**Goodwill £'000**	**Total £'000**
Cost			
At 3 January 2011	19	50	69
Acquisition (see note 31)	-	391	391
At 1 January 2012	19	441	460
Amortisation			
At 3 January 2011	8	-	8
Charge for period	2	-	2
At 1 January 2012	10	-	10
Net book values			
At 1 January 2012	9	441	450
Cost			
At 2 January 2012	**19**	**441**	**460**
Acquisition	**-**	**-**	**-**
At 30 December 2012	**19**	**441**	**460**
Amortisation			
At 2 January 2012	**10**	**-**	**10**
Charge for period	**2**	**-**	**2**
At 30 December 2012	**12**	**-**	**12**
Net book values			
At 30 December 2012	**7**	**441**	**448**

The recoverable amount of the goodwill has been determined on a value in use basis. This has been based on the performance of the units since they were acquired and management's forecasts, which assume the sites will perform at least as well as the market generally. The forecast cash flows are discounted at a rate of 10%.

Company

The Company has no intangible assets.

15 Property, plant and equipment

Group	**Short term leasehold and leasehold improvements £'000**	**Furniture, fixtures and computer equipment £'000**	**Assets in the course of construction £'000**	**Total £'000**
Cost				
At 3 January 2011	7,928	2,582	15	10,525
Additions	774	361	472	1,607
Acquisition (see note 31)	300	69	-	369
At 1 January 2012	9,002	3,012	487	12,501
Depreciation				
At 3 January 2011	2,555	818	-	3,373
Charge for period	255	327	-	582
At 1 January 2012	2,810	1,145	-	3,955
Net book values				
At 1 January 2012	6,192	1,867	487	8,546
Cost				
At 2 January 2012	9,002	3,012	487	12,501
Additions	2,389	1,342	44	3,775
Transfers	386	9	(395)	-
At 30 December 2012	11,777	4,363	136	16,276
Depreciation				
At 2 January 2012	2,810	1,145	-	3,955
Charge for period	392	438	-	830
Impairment reversal (note 10)	(300)	-	-	(300)
At 30 December 2012	2,902	1,583	-	4,485
Net book values				
At 30 December 2012	8,875	2,780	136	11,791

Company

The Company has no property, plant and equipment

16 Pre-paid operating lease charges

Group	30 December 2012 £'000	1 January 2012 £'000
Held within current assets	**87**	67
Held within non-current assets	**1,747**	1,382
	1,834	1,449

Pre-paid operating lease charges represent lease premiums paid for the acquisition of prime sites. These are amortised over the length of the lease. During the year, the Group paid £490,000 in lease premiums for two sites (1 January 2012 - £280,000) (see note 31).

Company

The Company does not hold any operating leases.

17 Investments

Company	£'000
Subsidiary undertaking	
At 2 January 2011	2,268
Share based payments in respect of subsidiary	29
At 1 January 2011	2,297
Share based payments in respect of subsidiary	**56**
At 30 December 2012	**2,353**

The Company has investments in the following subsidiary undertaking:

	Country of registration	Principal activities	Nature of shareholding	Percentage holding
Took Us A Long Time Limited	England	Operation of Restaurants	Ordinary	100

18 Inventories

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
Raw materials and consumables	**342**	**-**	246	-
Crockery and utensils	**347**	**-**	253	-
	689	**-**	499	-

The inventory recognised as an expense in the period is £4,809,000 (1 January 2012 - £3,933,000).

19 Trade and other receivables

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
Amounts due from subsidiary	**-**	**9,969**	-	8,702
Trade receivables	**226**	**-**	86	-
Prepayments and other receivables	**1,367**	**-**	1,076	-
Total trade and other receivables	**1,593**	**9,969**	1,162	8,702
Less: non-current portion	**(486)**	**(9,000)**	(451)	(7,699)
Current portion	**1,107**	**969**	711	1,003

The ageing analysis of trade receivables is as follows:

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
Up to 3 months	**226**	**-**	86	-

None of the receivables are past due (1 January 2012 - Nil). Non current receivables have no fixed repayment date but are not expected to be recovered within 12 months. In the directors' opinion there is no material difference between the book value and the fair value of any of the loans and receivables.

The directors have previously provided against the inter-company receivable balance. This provision has been reduced by £1,311,000 in the current year (1 January 2012 - £1,319,000) as a result of the profits made by the subsidiary company. The cumulative provision against the inter-company receivable at the balance sheet date was £2,947,000 (1 January 2012 - £4,258,000).

20 Trade and other payables

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
Bank borrowings	**1,000**	**-**	-	-
Trade payables	**2,017**	**-**	1,173	-
Taxation and social security	**882**	**-**	653	-
Accruals and deferred income	**1,624**	**-**	1,464	-
	5,523	**-**	3,290	-

Book values approximate to fair value as at 30 December 2012 and 1 January 2012.

At the balance sheet date, the Group had a total committed facility of £2.5m available, of which £1.0m was drawn down.

20 Trade and other payables *(continued)*

Maturity analysis of financial liabilities, measured at amortised cost which excludes taxation and social security and lease incentives, is as follows:

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
Up to 3 months	**2,017**	**-**	1,173	-

In the directors' opinion there is no material difference between the book value and the fair value of any of the financial liabilities classified at amortised cost.

21 Provisions

Onerous lease provisions	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
At 2 January 2012	**85**	**-**	100	-
Utilisation in period	**(10)**	**-**	(15)	-
Charge in period	**-**	**-**	-	-
Released in period	**-**	**-**	-	-
At 30 December 2012	**75**	**-**	85	-

22 Deferred tax

Deferred tax is calculated on temporary differences under the balance sheet liability method.

The movement on the deferred tax account is as shown below:

	Group 30 December 2012 £'000	Company 30 December 2012 £'000	Group 1 January 2012 £'000	Company 1 January 2012 £'000
At 2 January	**460**	**-**	250	-
Profit and loss (charge)/credit (note 11)	**(275)**	**-**	210	-
At 1 January	**185**	**-**	460	-
Accelerated capital allowances	**(427)**	**-**	(376)	-
Tax losses carried forward	**612**	**-**	836	-
	185	**-**	460	-

22 Deferred tax *(continued)*

Deferred tax assets have been recognised in respect of all such tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered against future taxable profits of the Group. The deferred tax asset arises from trading losses (£ 2.9 million; 1 January 2012 - £4.2 million) net of accelerated capital allowances (£ 2.1 million; 1 January 2012 - £1.9 million).

23 Share capital

			Authorised	
	30 December 2012 Number	**1 January 2012 Number**	**30 December 2012 £'000**	**1 January 2012 £'000**
Ordinary shares of 10p each	**50,000,000**	50,000,000	**5,000**	5,000

			Allotted, called up and fully paid	
	30 December 2012 Number	**1 January 2012 Number**	**30 December 2012 £**	**1 January 2012 £**
Ordinary shares of 10p each	**47,902,945**	47,836,614	**4,790**	4,784

All shares carry the same voting rights.

Movements in share capital

	Number	**£'000**
At 2 January 2012	47,836,614	4,784
Additions in period	66,331	6
At 30 December 2012	**47,902,945**	**4,790**

24 Reserves

Group	Share capital £'000	Share premium account £'000	Retained deficit £'000	Merger reserve £'000	Total Equity £'000
At 2 January 2011	4,784	10,350	(6,432)	992	9,694
Profit for the period	-	-	1,276	-	1,276
Share based payment charge			29	-	29
At 1 January 2012	4,784	10,350	(5,127)	992	10,999
Issue of ordinary shares	**6**	**9**	**-**	**-**	**15**
Profit for the period	**-**	**-**	**1,277**	**-**	**1,277**
Share based payment charge	**-**	**-**	**56**	**-**	**56**
At 30 December 2012	**4,790**	**10,359**	**(3,794)**	**992**	**12,347**

24 Reserves *(continued)*

Company	**Share capital £'000**	**Share premium account £'000**	**Retained Deficit £'000**	**Total Equity £'000**
At 2 January 2011	4,784	10,350	(5,440)	9,694
Issue of ordinary shares	-	-	-	-
Share issue costs	-	-	-	-
Profit for the period	-	-	1,276	1,276
Share based payment charge	-	-	29	29
At 1 January 2012	4,784	10,350	(4,135)	10,999
Issue of ordinary shares	**6**	**9**	**-**	**15**
Share issue costs	**-**	**-**	**-**	**-**
Profit for the period	**-**	**-**	**1,277**	**1,277**
Share based payment charge	**-**	**-**	**56**	**56**
At 30 December 2012	**4,790**	**10,359**	**(2,802)**	**12,347**

The following describes the nature and purpose of each reserve within owners' equity.

Reserve	**Description and purpose**
Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value, net of issue costs.
Retained deficit	Cumulative net gains and losses recognised in the statement of comprehensive income together with other items which are required to be taken direct to equity.
Merger reserve	Difference between the nominal value of shares issued and the nominal value of shares acquired on merger.

25 Capital commitments

At the balance sheet date the group and the company had no Capital Commitments which were contracted but not provided for (1 January 2012 - £nil). Capital commitments relate to committed expenditure in respect of restaurants under construction.

26 Operating lease commitments

At the period end the total future value of minimum lease payments under non-cancellable operating leases are due as follows:

	Land and buildings			Land and buildings		
	Gross	**Sublet**	**Net**	**Gross**	**Sublet**	**Net**
	30 December 2012	**30 December 2012**	**30 December 2012**	**1 January 2012**	**1 January 2012**	**1 January 2012**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Total operating lease payments/(receipts)						
Within 1 period	**2,659**	**(330)**	**2,329**	2,135	(330)	1,805
Within 2 to 5 periods	**10,603**	**(1,318)**	**9,285**	8,549	(1,318)	7,231
After 5 periods	**30,941**	**(3,850)**	**27,091**	24,309	(4,179)	20,130
	44,203	**(5,498)**	**38,705**	34,993	(5,827)	29,166

The table above shows the gross cash payments in respect of operating leases in which a Group company has an obligation. The receipts are from sub-tenants under contractual sub-leases. The net position represents the cash liability of the Group.

27 Pensions

The Group, last year, made no contributions to the personal pension plan of any director. The total amount paid during the period was £nil (1 January 2012 - £nil).

28 Share based payment

The Company believes that share ownership by directors and key staff strengthens the link between their personal interests and those of the shareholders. It therefore operates an approved share option scheme under which options have been granted. These share options are granted to assist in the incentivisation and recruitment of key staff.

	30 December 2012 Weighted average exercise price (pence)	**30 December 2012 Number ‘000**	**1 January 2012 Weighted Average Exercise Price (pence)**	**1 January 2012 Number ‘000**
Outstanding at the beginning of the period	**44.2**	**4,174**	46.4	2,334
Granted during the period	**-**	**-**	51.5	1,840
Lapsed during the period	**-**	**-**	-	-
Exercised during the period	**23.1**	**66**	-	-
Outstanding at the end of the period	**44.2**	**4,108**	44.2	4,174

The exercise price of options outstanding at the end of the period ranged between 18 p and 87.5p (1 January 2012 - 18p and 87.5p) and their weighted average remaining contractual life was 6 years (1 January 2012 - 7 years).

Of the total number of options outstanding at the end of period 2,341,605 (1 January 2012 – 1,981,420) had vested and were exercisable at the end of the period.

The market price of the Company’s ordinary shares as at 30 December 2012 was 50.5p and the range during the financial year was from 47.5p to 71.5p.

In the current period, 66,335 options were exercised. The weighted average share price at the date of exercise was 57.5p. No options were exercised during prior periods.

The weighted average fair value of each option granted during the prior period was 51.5p.

28 Share based payment *(continued)*

The following information is relevant in the determination of the fair value of options granted during the prior period under the equity settled share based remuneration schemes operated by the Company. No options were granted in the current period.

	2011
Equity-settled	
Option pricing model used	Black-Scholes
Weighted average share price at grant date (pence)	49.0
Exercise price (pence)	51.5
Weighted average contractual life (days)	1,825
Expected volatility	50.0%
Expected dividend growth rate	0.0%
Risk-free interest rate	2.0%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last three periods.

The equity settled charge for share based payments in the period comprises

	30 December 2012 £'000	1 January 2012 £'000
Share based payment charge for the period	**56**	29

29 Related party transactions

During the period rent of £355,000 (1 January 2012 - £356,000) were paid to Kropifko Properties Limited, a company in which A Kaye and S Kaye, are directors. In addition, rents of £184,000 (1 January 2012 - £179,000) were paid to KLP, a limited partnership in which A Kaye and S Kaye are members. All premiums and rents paid to related parties are considered to be a reasonable reflection of the market rate for the properties. Rent remained outstanding at the period end of £141,000 and £87,000 respectively, paid on 8 January 2013 (1 January 2012 - nil). During the period the Group charged Everyman Media Ltd, a company in which A Kaye and S Kaye are directors and shareholders, a fee of £50,000 in respect of services provided regarding a food offering at one of their sites. The balance was outstanding at the period end.

30 Notes supporting the cash flow statement

Cash and cash equivalents for the purposes of the cash flow statement comprise:

	30 December 2012 £'000	1 January 2012 £'000
Cash available on demand	**1,452**	1,849
Short-term deposits	**159**	159
	1,611	2,008

£159,000 of the total cash balances relate to restricted funds in respect of rent deposits received.

31 Acquisition

In the prior period the Group undertook two acquisitions which were accounted for under IFRS 3 (Revised). The net impact of these acquisitions was the recognition at fair value of £369,000 of property, plant and equipment, £280,000 of rent premiums (accounted for as prepaid operating lease expenses), and £18,000 of inventories. The total consideration paid was £1,058,000 which led to the recognition of £391,000 of goodwill.

NOTICE OF ANNUAL GENERAL MEETING
TASTY PLC
(Registered in England and Wales with no. 5826464)

Notice is hereby given that the 2013 Annual General Meeting of Tasty plc will be held at Wildwood, 35-36 Bow Street, London WC2E 7AU on 12 June at 9 a.m. for the transaction of the following business:

ORDINARY BUSINESS
As ordinary business to consider and, if thought fit, to pass the following resolutions, each of which will be proposed as ordinary resolutions:

1 THAT, the Company's annual accounts for the 52 weeks ended 30 December 2012, together with the report of the auditors and the directors thereon, be received and adopted.

2 THAT, Daniel Plant, who retires in accordance with the Company's articles of association, be re-elected as a director.

3 THAT, BDO LLP be re-appointed as auditors to the Company until the conclusion of the next Annual General Meeting at which accounts of the Company are presented and the directors be authorised to fix their remuneration.

SPECIAL BUSINESS
As special business to consider and, if thought fit, to pass the following resolutions, of which resolution 4 will be proposed as an ordinary resolution and resolution 5 as a special resolution:

4 THAT, the directors be and they are generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares, or to grant rights to subscribe for or to convert any securities into shares, of up to an aggregate nominal amount of £478,366 during the period commencing on the passing of this resolution and expiring on the date of the next annual general meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting), but so that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or to convert any securities into shares to be granted, after such expiry and the directors may allot shares, or grant rights to subscribe for or to convert any securities into shares, in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all subsisting authorities, to the extent unused.

5 THAT, the directors be and they are empowered during the period commencing on the passing of this resolution and expiring on the date of the next annual general meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting) pursuant to section 570(1) of the Act to allot equity securities (within the meaning of section 560(1) of the Act) wholly for cash pursuant to the authority conferred by resolution 5 above as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

(i) the allotment of equity securities for cash up to an aggregate nominal amount of £478,366;
(ii) the allotment of equity securities in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange, but so that this authority shall allow the Company to make offers or agreements before the expiry and the directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired.

By order of the Board

K Lassman

Secretary

Date 23 April 2013

Registered Office: 32 Charlotte Street London W1T 2NQ

Information regarding the Annual General Meeting, including the information required by section 311A of the Companies Act 2006, is available from: www.dimt.co.uk.

Notes:

(a) Any member of the Company entitled to attend and vote at the Annual General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more then one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the Annual General Meeting in order to represent his appointor. A member entitled to attend and vote at the Annual General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these Notes. Please read Note (h) below. Under section 319A of the Companies Act 2006, the Company must answer any question a member asks relating to the business being dealt with at the Annual General Meeting unless:
- answering the question would interfere unduly with the preparation for the Annual General Meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered.

(b) To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to the Company's registrars, Computershare Investor Services Plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or electronically at info@dimt.co.uk, in each case not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the Annual General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote. In the case of a poll taken more than 48 hours (excluding weekends and public holidays) after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours (excluding weekends and public holidays) before the time appointed for taking the poll, or where the poll is taken not more than 48 hours (excluding weekends and public holidays) after it was demanded, be delivered at the meeting at which the demand is made.

(c) In order to revoke a proxy instruction a member will need to inform the Company using one of the following methods:
- by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to the Company's registrars, Computershare Investor Services Plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- by sending an e-mail to info@dimt.co.uk.

In either case, the revocation notice must be received by the Company's registrars, Computershare Investor Services Plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY before the Annual General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note (d) directly below, the proxy appointment will remain valid.

(d) Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the Annual General Meeting in person, the proxy appointment will automatically be terminated.

(e) Copies of the Directors' Letters of Appointment, the Register of Directors' interests in the Shares of the Company kept and a copy of the current Articles of Association will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday and Public Holidays excluded) from the date of this notice, until the end of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.

(f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's shares registered on the Register of Members of the Company as at 9 a.m. on 10 June 2013 or, in the event that the Annual General Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the said Annual General Meeting in respect of such shares registered in their name at the relevant time. Changes to entries on the Register of Members after 9 a.m. on 10 June 2013 or, in the event that the Annual General Meeting is adjourned, on the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the Annual General Meeting.

(g) As at 23 April 2013 the Company's issued share capital comprised 47,927,949 Ordinary Shares. The total number of voting rights in the Company as at 23 April 2013 is 47,927,949. The website referred to above will include information on the number of shares and voting rights.

(h) If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights ("Nominated Person"):
- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the Annual General Meeting;
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
- Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

(i) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

(j) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

(k) Except as provided above, members who have general queries about the General Meeting should call the Company's registrars, Computershare Investor Services Plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY on 0870 707 1580 (no other methods of communication will be accepted).

(l) Members may not use any electronic address provided either in this notice of Annual General Meeting, or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.