Registration number: 02382964

Cafe Rouge International Limited

Annual Report and Financial Statements

for the 52 weeks ended 28 May 2017

Cafe Rouge International Limited

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Cafe Rouge International Limited

Company Information

Directors	G. David S. Richards
Company secretary	G. David
Registered office	1st Floor 163 Eversholt Street London NW1 1BU
Solicitors	Taylor Wessing 5 New Street Square London EC4A 3TW
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

Cafe Rouge International Limited

Directors' Report for the Period ended 28 May 2017

The Directors present their annual report and the audited financial statements of Cafe Rouge International Limited ("the Company") for the 52 week period ended 28 May 2017. The comparatives are for the 52 week period ended 29 May 2016.

Directors of the Company
The directors of the Company who were in office during the period and up to the date of signing (unless otherwise stated) the financial statements were:

G. David (appointed 21 June 2017)
T. Doubleday (resigned 31 August 2017)
S. Richards

Principal activity
The principal activity of the Company is that of franchising the Café Rouge brand internationally. There has been no change in this activity during the period.

Results and dividends
The loss for the financial period amounted to £73,488 (2016: £37,352). The Directors do not propose the payment of a dividend (2016: £nil).

The net assets of the Company at 28 May 2017 were £30,173 (2016: £103,661).

Review of developments and future prospects
The Company will continue to focus on franchising the Café Rouge brand internationally for the foreseeable future. The Company currently has a franchises operating in the United Arab Emirates.

Principal risks and uncertainties
From the perspective of the Company, its principal risks and uncertainties are integrated with the principal risks of Casual Dining Bidco Limited and its subsidiaries ("the Group") of which the Company is a member and are not managed separately. The principal risks and uncertainties of the Group are disclosed in Casual Dining Bidco Limited's consolidated financial statements which does not form part of this report.

Key performance indicators
The Directors of Casual Dining Bidco Limited manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Cafe Rouge International Limited. The development, performance and position of the business of the Group is discussed within the Strategic and Directors' Reports of Casual Dining Bidco Limited's consolidated financial statements which does not form part of this report.

Financial risk management
From the perspective of the Company, the financial risks of the Company are integrated with the financial risks of the Group and are not managed separately. Accordingly, the management of the financial risks of the Group, which include those of the Company, are disclosed in Casual Dining Bidco Limited's consolidated financial statements which does not form part of this report.

Going concern
The Directors believe that preparing financial statements on the going concern basis is appropriate given that they have reviewed the Company's loss and cash flow forecasts in conjunction with current and future financing availability and have stress tested these with plausible but pessimistic changes in assumptions. As a result, the directors have a reasonable expectation that the Company has sufficient resources to continue as a going concern for the foreseeable future

Strategic Report exemption
The Company qualifies for the small company exemption under the Companies Act 2006 and therefore has not prepared a Strategic Report.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 52 week period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The auditors PricewaterhouseCoopers LLP are deemed to be reappointed Under section 485(2) of the Companies Act 2006.

Approved by the Board on 28/03/18 and signed on its behalf by:

G. David
Director

Independent auditors' report to the members of Cafe Rouge International Limited

Report on the financial statements

Our opinion

In our opinion, Cafe Rouge International Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 28 May 2017 and of its loss for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 28 May 2017;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.

Gemma Clark

Gemma Clark (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 March 2018

Cafe Rouge International Limited

Statement of Comprehensive Income for the 52 weeks ended 28 May 2017

	Note	Total 52 weeks ended 28 May 2017	Total 52 weeks ended 29 May 2016
		£	£
Revenue	3	20,226	49,552
Cost of sales		(47,921)	-
Gross (loss)/profit		(27,695)	49,552
Administrative expenses		(45,793)	(86,904)
Operating loss		(73,488)	(37,352)
Loss before taxation		(73,488)	(37,352)
Tax on loss	7	-	-
Loss and total comprehensive expense		(73,488)	(37,352)

The above results were derived from continuing operations.

The notes on pages 9 to 13 form an integral part of these financial statements.

Cafe Rouge International Limited

Registration number: 02382964
Statement of Financial Position as at 28 May 2017

	Notes	28 May 2017 £	29 May 2016 £
Assets			
Current assets			
Trade and other receivables	8	47,993	114,495
Total assets		47,993	114,495
Equity and liabilities			
Current liabilities			
Trade and other payables	10	(17,820)	(10,834)
Total liabilities		(17,820)	(10,834)
Net assets		30,173	103,661
Equity			
Called up share capital	9	100	100
Profit and loss account		30,073	103,561
Total equity		30,173	103,661

These financial statements on page 6 to 13 were approved by the Board of Directors on 28/03/18
and signed on its behalf by:

G. David
Director

The notes on pages 9 to 13 form an integral part of these financial statements.

Cafe Rouge International Limited

Statement of Changes in Equity for the period ended 28 May 2017

	Called up share capital £	Profit and loss account £	Total equity £
At 1 June 2015	100	140,913	141,013
Comprehensive loss for the period	-	(37,352)	(37,352)
At 29 May 2016	100	103,561	103,661
At 30 May 2016	100	103,561	103,661
Comprehensive loss for the period	-	(73,488)	(73,488)
At 28 May 2017	100	30,073	30,173

The notes on pages 9 to 13 form an integral part of these financial statements

1. General Information

Cafe Rouge International Limited ("the Company") is incorporated in the United Kingdom. The registered office is 1st Floor, 163 Eversholt Street, London NW1 1BU. The Company is a subsidiary of Casual Dining Bidco Limited which forms one of the largest mid-market restaurant operators in the UK with 280 restaurants as at 28 May 2017, operating primarily under the Café Rouge, Bella Italia, Las Iguanas and La Tasca brands.

Information on the ultimate parent of the Company is provided in Note 12.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared on the going concern basis and under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The financial statements of the Company have been prepared for the accounting period ended 28 May 2017.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no significant accounting judgments required in the preparation of the financial statements.

The functional and presentational currency of the Company is pounds sterling.

Going concern

The Directors believe that preparing financial statements on the going concern basis is appropriate given that they have reviewed the Company's loss and cash flow forecasts in conjunction with current and future financing availability and have stress tested these with plausible but pessimistic changes in assumptions. As a result, the directors have a reasonable expectation that the Company has sufficient resources to continue as a going concern for the foreseeable future.

Summary of disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- IAS 7 "Statement of cash flows"
- Paragraph 30 of IAS 8 "Accounting policies, changes in accounting estimates and errors" (disclosure of standard issued but not yet adopted)
- IFRS 7 "Financial instruments: Disclosures"
- Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation)
- The requirements in IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.

2. Accounting policies (continued)

Changes in accounting policy and disclosures

None of the standards, interpretations and amendments effective for the first time for the period ended 28 May 2017 has had a material effect on the financial statements.

Revenue recognition

Revenue comprises franchise fees arising outside the United Kingdom. This is recognised when they fall due under the terms of the relevant franchise agreements.

The Company recognises revenue when:

(a) The amount of revenue can be reliably measured;
(b) It is probable that future economic benefits will flow to the entity; and
(c) Specific criteria have been met for each of the Company activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for any deferred tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the group the ability to control the reversal of the temporary difference is the deferred tax liability not recognised.

Deferred tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities and there is an intention to settle the balances on a net basis.

2. Accounting policies (continued)

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Revenue

The analysis of the Company's revenue for the period from continuing operations is as follows:

	30 May 2016 to 28 May 2017	1 June 2015 to 29 May 2016
Royalty income:	£	£
Middle East	20,226	49,552
	20,226	49,552

4. Staff costs

The Company had no employees during the period. Neither of the Directors received any remuneration in respect of their services for the Company during the period.

5. Directors' remuneration

The directors did not receive any emoluments from the company in respect of services provided to the company. Casual Dining Limited recharges the company for directors' services under a cost plus arrangement and these costs are reported within Administrative Expenses.

6. Auditors' remuneration

	30 May 2016 to 28 May 2017 £	1 June 2015 to 29 May 2016 £
Audit of the financial statements	-	3,000

Other fees to auditors

All other tax-advisory services	-	1,500

The current period auditors' remuneration of £5,000 was borne by a fellow Group company. Fees paid in the current period to the Company's auditor, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements. This is on the basis that such non-audit fees are disclosed in the consolidated financial statements of the Company's parent company Casual Dining Bidco Limited.

7. Tax on loss

Tax charged in the statement of comprehensive income

	30 May 2016 to 28 May 2017 £	1 June 2015 to 29 May 2016 £
Current taxation		
UK corporation tax	-	-

The tax on loss before taxation for the period is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.83% (2016 - 20%).

The differences are reconciled below:

	30 May 2016 to 28 May 2017 £	1 June 2015 to 29 May 2016 £
Loss before tax	(73,488)	(37,352)
Corporation tax at standard rate	(14,573)	(7,470)
Origination and reversal of temporary differences	277	-
Expenses not deductible for tax purposes	-	18
Group relief surrendered for nil consideration	14,296	7,452
Total tax charge	-	-

The Company has an unrecognised deferred tax asset in respect of losses carried forward of £6,334 (2016: £6,334) due to it not being sufficiently probable that it will be utilised in the foreseeable future.

The Finance Act 2015 introduced a reduction in the main rate of corporation tax from 20% to 19% from April 2017 and from 19% to 18% from April 2020. These reductions were substantively enacted on 26 October 2015. This has resulted in a blended rate of 19.83% being used to calculate the tax provision for the 52 weeks to 28 May 2017. The Finance Act 2016 introduced a further reduction in the main rate of corporation tax to 17% from April 2020. This was substantively enacted on 6 September 2016.

8. Trade and other receivables

	28 May 2017	29 May 2016
	£	£
Amounts owed by other members of the Group	20,000	114,495
Prepayments	27,993	-
	47,993	114,495

Amounts owed by other members of the Group have no fixed repayment date, are interest free and unsecured.

9. Called up share capital

Allocated, called up and fully paid shares

	28 May 2017		29 May 2016	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

10. Trade and other payables

	28 May 2017	29 May 2016
	£	£
Amounts owed to other members of the Group	17,820	10,384
	17,820	10,384

Amounts owed to other members of the Group have no fixed repayment date, are interest free and unsecured.

11. Related party transactions

The Company has taken advantage of the exemption in FRS101 "Related Party Disclosures" from disclosing transactions with other members of the Group.

12. Ultimate parent undertaking

The immediate parent undertaking is Casual Dining Bidco Limited, registered in England and Wales, together with its subsidiaries form the smallest group of which the Company is a member and for which group financial statements are drawn up. Casual Dining Group Limited, registered in England and Wales, together with its subsidiaries form the largest group of which the Company is a member and for which group financial statements are drawn up. For both consolidations, copies of these financial statements can be obtained from 1st Floor, 163 Eversholt Street, London, NW1 1BU, United Kingdom.

The Company considers Casual Dining Group S.C.A., a partnership company incorporated in Luxembourg and managed by Casual Dining Group GP S.A., a company incorporated in Luxembourg, as the ultimate parent undertaking, through its ownership of 100% of the share capital of Casual Dining Group Limited. The Company considers Apollo Global Management, LLC, through its managed funds, to be its ultimate controlling party.