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Registration number: 02529442

Sally Clarke Limited

Annual Report and Financial Statements

for the Year Ended 31 August 2020



Roberts & Co
Chartered Accountants
136 Kensington Church Street
London
W8 4BH

Sally Clarke Limited

Company Information

Directors	SV Clarke JE Morton Morris
Company secretary	N Eastmond
Registered office	136 Kensington Church Street London W8 4BH
Auditors	Roberts & Co Chartered Accountants 136 Kensington Church Street London W8 4BH

Sally Clarke Limited

Directors' Report for the Year Ended 31 August 2020

The directors present their report and the financial statements for the year ended 31 August 2020.

Directors of the company

The directors who held office during the year were as follows:

SV Clarke

JE Morton Morris (appointed 29 June 2020)

Principal activity

The principal activity of the company is as the holding company of a group trading as a restaurant, bakery and food retailer.

Disclosure of information to the auditors

Each director has taken 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 directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

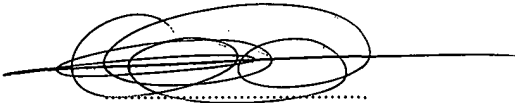
Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Roberts & Co as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 25 May 2021 and signed on its behalf by:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

N Eastmond
Company secretary

Sally Clarke Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Sally Clarke Limited

Independent Auditor's Report to the Members of Sally Clarke Limited

Opinion

We have audited the financial statements of Sally Clarke Limited (the 'company') for the year ended 31 August 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Sally Clarke Limited

Independent Auditor's Report to the Members of Sally Clarke Limited

We have nothing to report in this regard.

Opinion on other matter 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 year 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

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

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

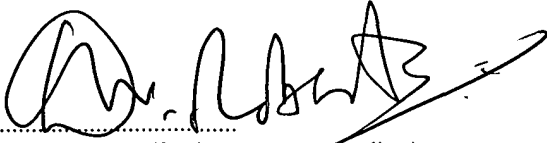
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Sally Clarke Limited

Independent Auditor's Report to the Members of Sally Clarke Limited

A handwritten signature in black ink, appearing to read 'D. Roberts', with a long horizontal flourish extending to the right.

.....
David Roberts (Senior Statutory Auditor)
For and on behalf of Roberts & Co
Chartered Accountants and Statutory Auditors

136 Kensington Church Street
London
W8 4BH

25 May 2021

Sally Clarke Limited

Profit and Loss Account for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Turnover		506,438	500,272
Administrative expenses		<u>(596,178)</u>	<u>(332,140)</u>
Operating (loss)/profit		<u>(89,740)</u>	<u>168,132</u>
Other interest receivable and similar income		3,994	4,581
Interest payable and similar expenses		<u>(123,991)</u>	<u>(119,662)</u>
		<u>(119,997)</u>	<u>(115,081)</u>
(Loss)/profit before tax	4	<u>(209,737)</u>	<u>53,051</u>
(Loss)/profit for the financial year		<u><u>(209,737)</u></u>	<u><u>53,051</u></u>

The above results were derived from continuing operations.

Sally Clarke Limited

(Registration number: 02529442)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	4,792,009	5,223,070
Investments	6	446,005	446,004
		<u>5,238,014</u>	<u>5,669,074</u>
Current assets			
Debtors	7	2,562,246	2,427,553
Cash at bank and in hand		33,959	4,492
		<u>2,596,205</u>	<u>2,432,045</u>
Creditors: Amounts falling due within one year	8	<u>(3,269,610)</u>	<u>(3,629,576)</u>
Net current liabilities		<u>(673,405)</u>	<u>(1,197,531)</u>
Total assets less current liabilities		4,564,609	4,471,543
Creditors: Amounts falling due after more than one year	8	<u>(3,009,053)</u>	<u>(2,706,250)</u>
Net assets		<u>1,555,556</u>	<u>1,765,293</u>
Capital and reserves			
Called up share capital	9	73,960	73,960
Share premium reserve		116,010	116,010
Revaluation reserve		2,253,947	2,635,500
Profit and loss account		<u>(888,361)</u>	<u>(1,060,177)</u>
Total equity		<u>1,555,556</u>	<u>1,765,293</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 25 May 2021 and signed on its behalf by:

SV Clarke
Director

Sally Clarke Limited

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

	Share capital £	Share premium £	Revaluation reserve £	Profit and loss account £	Total £
At 1 September 2019	73,960	116,010	2,635,500	(1,060,177)	1,765,293
Loss for the year	-	-	-	(209,737)	(209,737)
Transfers between reserves	-	-	(381,553)	381,553	-
Total comprehensive income	-	-	(381,553)	171,816	(209,737)
At 31 August 2020	<u>73,960</u>	<u>116,010</u>	<u>2,253,947</u>	<u>(888,361)</u>	<u>1,555,556</u>
	Share capital £	Share premium £	Revaluation reserve £	Profit and loss account £	Total £
At 1 September 2018	73,960	116,010	2,723,350	(1,201,078)	1,712,242
Profit for the year	-	-	-	53,051	53,051
Transfers between reserves	-	-	(87,850)	87,850	-
Total comprehensive income	-	-	(87,850)	140,901	53,051
At 31 August 2019	<u>73,960</u>	<u>116,010</u>	<u>2,635,500</u>	<u>(1,060,177)</u>	<u>1,765,293</u>

The notes on pages 10 to 18 form an integral part of these financial statements.

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

136 Kensington Church Street
London
W8 4BH

The principal place of business is:

122 & 124 Kensington Church Street
London
W8 4BH
England

These financial statements were authorised for issue by the Board on 25 May 2021.

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 years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

the company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Freehold buildings	between 30 and 50 years
Improvements to leasehold property	4 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors 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 debtors 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 creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

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 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>3,500</u>	<u>3,500</u>

4 Loss/profit before tax

Arrived at after charging

	2020 £	2019 £
Depreciation expense	<u>167,093</u>	<u>176,025</u>

5 Tangible assets

	Land and buildings £	Total £
Cost or valuation		
At 1 September 2019	6,240,421	6,240,421
Revaluations	(360,000)	(360,000)
Additions	24,432	24,432
Disposals	<u>(2,903)</u>	<u>(2,903)</u>
At 31 August 2020	<u>5,901,950</u>	<u>5,901,950</u>
Depreciation		
At 1 September 2019	1,017,351	1,017,351
Charge for the year	167,093	167,093
Eliminated on disposal and revaluation	<u>(74,503)</u>	<u>(74,503)</u>
At 31 August 2020	<u>1,109,941</u>	<u>1,109,941</u>
Carrying amount		
At 31 August 2020	<u>4,792,009</u>	<u>4,792,009</u>
At 31 August 2019	<u>5,223,070</u>	<u>5,223,070</u>

Included within the net book value of land and buildings above is £4,394,288 (2019 - £4,814,473) in respect of freehold land and buildings and £397,721 (2019 - £408,597) in respect of improvements to leasehold premises

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

Revaluation

The fair value of the company's freehold property was revalued on 31 January 2020 by an independent valuer. Where the directors consider that there has been a material change in the valuation of the property between formal valuations they would then revalue the property to reflect its current market value.

The directors are satisfied that the value of the property is not less than the amount shown in the financial statements.

The name and qualification of the independent valuer are Savills Chartered Surveyors who are external to the company, in accordance with guidelines in issue by The Royal Institution of Chartered Surveyors.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £2,759,814 (2019 - £2,762,717).

If the land and buildings had not been included at valuation, they would have been included under the historical cost convention of cost less accumulated depreciation of £2,538,062 (2019 - £2,598,629).

6 Investments

	2020 £	2019 £
Investments in subsidiaries	<u>446,005</u>	<u>446,004</u>
Subsidiaries		£
Cost or valuation		
At 31 August 2019 and 1 September 2018		446,004
Additions		<u>1</u>
At 31 August 2020		<u>446,005</u>
Carrying amount		
At 31 August 2020		<u>446,005</u>
At 31 August 2019		<u>446,004</u>

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

Investments

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2020	2019
Sally Clarke Bakery Limited	England and Wales	Ordinary	80%	80%
Sally Clarke Restaurant Limited	England and Wales	Ordinary	100%	100%
Sally Clarke Retail Limited	England and Wales	Ordinary	100%	100%
Sally Clarke Kitchen Limited	England and Wales	Ordinary	100%	100%
Sally Clarke (Westbourne Grove) Limited	England and Wales	Ordinary	100%	0%

The principal activity of Sally Clarke Bakery Limited is as a commercial bakery

The principal activity of Sally Clarke Restaurant Limited is as a restaurant

The principal activity of Sally Clarke Retail Limited is as a food retailer

The principal activity of Sally Clarke Kitchen Limited is as a commercial kitchen

The principal activity of Sally Clarke (Westbourne Grove) Limited is as a food retailer

7 Debtors

	2020 £	2019 £
Trade debtors	49,873	107,806
Prepayments and accrued income	20,250	21,936
Other debtors	108,896	198,857
Amounts due from subsidiary companies	<u>2,383,227</u>	<u>2,098,954</u>
	2,562,246	2,427,553
Other debtors due after more than one year	<u>(68,750)</u>	<u>(131,250)</u>
	<u><u>2,493,496</u></u>	<u><u>2,296,303</u></u>

Due after more than one year

£68,750 (2019 -£131,250) of other debtors is classified as due after more than one year.

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

8 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Instalments of bank loans due within one year	10	183,614	152,500
Bank overdrafts	10	64,939	349,701
Unsecured loans	10	2,850,184	2,876,282
Trade creditors		59,944	210,370
Taxation and social security		53,057	-
Accruals and deferred income		45,719	32,557
Other creditors		12,153	8,166
		<u>3,269,610</u>	<u>3,629,576</u>

Unsecured loans, all of which are subordinated to the bank loans, include an unsecured loan from the director, S.V. Clarke, amounting to £308,003 (2019 - £334,100). This loan is repayable on demand, subject to the foregoing

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Instalments of bank loans due between one and two years	10	221,947	152,500
Instalments of bank loans due between two and five years	10	2,597,106	2,363,750
Other creditors - loan not repayable by instalments	10	190,000	190,000
		<u>3,009,053</u>	<u>2,706,250</u>

The bank loans amount to a total of £3,002,667 (2019 - £2,668,750) and £2,952,667 of these are secured by a legal first charge on the company's premises at 122 and 124 Kensington Church Street, London, and a fixed and floating charge on all of the assets of Sally Clarke Limited. These loans must be repaid in full no later than 24 March, 2025. Interest is payable at 3.63000% (2019 - 3.60938%) above the Bank of England base rate.

Included in other creditors is the loan granted by Sheila Margaret Clarke for £190,000 (2019 - £190,000). It was secured by a second legal charge over the freehold of 122 Kensington Church Street, London until 19th December, 2016 when the security was surrendered. This loan was repayable on 1st January, 2016 and it had been extended indefinitely after forgoing £50,000 which was written back in the profit and loss account in the year ended 31st August, 2013. Following the surrender of the above security, the loan was rescheduled to run from 19th December, 2016 until 31st December, 2019. This was further rescheduled during the year to run from 1st January, 2020 until 31st December, 2022. Interest paid during the year was £7,917 (2019 - £9,500).

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>73,960</u>	<u>73,960</u>	<u>73,960</u>	<u>73,960</u>

The whole of the issued share capital (2019- whole) is owned by the immediate parent, Lydling Holdings Limited (see note 13) and consequently no consolidated accounts are produced for the Sally Clarke group of companies.

10 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Instalments of bank loans due within one year	183,614	152,500
Bank overdrafts	64,939	349,701
Unsecured loans	<u>2,850,184</u>	<u>2,876,282</u>
	<u>3,098,737</u>	<u>3,378,483</u>
	2020 £	2019 £
Non-current loans and borrowings		
Instalments of bank loans due after more than one year	2,819,053	2,516,250
Other creditors - loan not repayable by instalments	<u>190,000</u>	<u>190,000</u>
	<u>3,009,053</u>	<u>2,706,250</u>

11 Operating lease commitments

At 31st August, 2019 the company had annual commitments under a non-cancellable lease as follows:

Land and buildings - expiry within one year £203,500 (2019 - £203,500).

Land and buildings - expiry within two and five years £203,500 (2019 - £203,500).

Land and buildings - expiry over five years £203,500 (2019 - £203,500).

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

12 Related party transactions

During the year the company entered into transactions in the ordinary course of business with related parties.

Rent and service charges received and incurred on behalf of and recharged to related parties are made at normal market prices. Outstanding balances with entities are unsecured (except as noted above) and interest free (except as noted above).

During the year, the company entered into transactions with a related party, Sally Clarke Bakery Limited, an 80% subsidiary undertaking.

Transactions entered into and balances outstanding at 31st August are as follows:-

	Entities with significant influence over the company £	Other related parties £	Sally Clarke Bakery Limited £
2020			
Loans received from related parties	-	-	-
Loans repaid to related parties	26,098	-	-
Loan interest paid to related parties	6,570	7,917	-
Rent and service charges received from related parties	144,934	-	-
Rent and service charges incurred on behalf of and recharged to related parties	151,558	-	-
Amounts owed from related parties	49,874	-	608,569
Amounts owed to related parties	<u>483,076</u>	<u>190,000</u>	<u>-</u>

	Entities with significant influence over the company £	Other related parties £	Sally Clarke Bakery Limited £
2019			
Loans received from related parties	120,177	-	-
Loans repaid to related parties	5,000	-	-
Loan interest paid to related parties	6,570	9,500	-
Rent and service charges received from related parties	144,934	-	-
Rent and service charges incurred on behalf of and recharged to related parties	158,058	-	-
Amounts owed from related parties	107,806	-	638,399
Amounts owed to related parties	<u>509,174</u>	<u>190,000</u>	<u>-</u>

Sally Clarke Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

13 Parent and ultimate parent undertaking

The company's immediate parent is Lydling Holdings Limited, incorporated in England and Wales.

The ultimate controlling party is Samuel Morton Morris.

14 Post Balance Sheet event - impact of the outbreak of COVID-19

Since 31 August 2019, the spread of COVID-19 has severely impacted economies and businesses on a global basis. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The directors consider the impact of the outbreak of COVID-19 to be a non-adjusting post balance sheet event. Accordingly, the financial position at 31 August 2020 and the results for the year then ended have not been adjusted. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of ongoing measures to combat its continuing threat, remain unclear. It is not possible to estimate the duration and severity of these consequences reliably, nor their impact on the financial position and results of the company for future accounting periods.