Registration number: 03012988

Espresso UK Limited

Annual Report and Financial Statements

for the 52 weeks ended 29 May 2016

Espresso UK Limited

Contents

Espresso UK Limited

Company Information

Directors	S Richards T Doubleday
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
Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

Espresso UK Limited

Directors' Report for the 52 week period ended 29 May 2016

The Directors present their annual report and the audited financial statements of Espresso UK Limited ('the Company') for the 52 week period ended 29 May 2016. The comparatives are for the 52 week period ended 31 May 2015.

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

S Richards

T Doubleday

Principal activity
The property leased by the Company has been sublet to a third party.

Results and dividends
The loss after tax for the period amounted to £2,977 (2015: £8,750). The Directors do not propose the payment of a dividend (2015: £nil).

Exceptional credit of £23 was recognised by the Company for the 52 week period ended 29 May 2016 (2015: £3,750 cost). This item was outside the normal operations of the Company and related to movement in onerous contract provision.

Review of developments and future prospects
The property leased by the Company has been sublet to a third party.

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 Espresso UK 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.

Espresso UK Limited

Directors' Report for the 52 week period ended 29 May 2016 (continued)

Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued support of Casual Dining Bidco Limited. The Directors have received confirmation that Casual Dining Bidco Limited intend to support the Company for at least one year after these financial statements are signed.

Strategic Report exemption

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

Espresso UK Limited

Directors' Report for the 52 week period ended 29 May 2016 (continued)

Statement of Directors responsibilities
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; 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. 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.

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 auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors
The auditors PricewaterhouseCoopers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 11 April 2017 and signed on its behalf by:

S Richards
Director

Independent auditors' report to the members of Espresso UK Limited

Report on the financial statements

Our opinion

In our opinion, Espresso UK Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 29 May 2016 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 29 May 2016;
- 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.

Opinion on other matter 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.

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 4, 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.

Rachel Savage (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 April 2017

Espresso UK Limited

Statement of Comprehensive Income for the 52 weeks ended 29 May 2016

	Note	Before exceptional items 52 weeks ended 29 May 2016 £	Exceptional items 52 weeks ended 29 May 2016 £	Total 52 weeks ended 29 May 2016 £	Before exceptional items 52 weeks ended 31 May 2015 £	Exceptional items 52 weeks ended 31 May 2015 £	Total 52 weeks ended 31 May 2015 £
Revenue		-	-	-	-	-	-
Administrative expenses		(3,000)	23	(2,977)	(5,000)	(3,750)	(8,750)
Operating (loss)/profit		(3,000)	23	(2,977)	(5,000)	(3,750)	(8,750)
(Loss)/profit on ordinary activities before tax		(3,000)	23	(2,977)	(5,000)	(3,750)	(8,750)
Tax on loss on ordinary activities	6	-	-	-	-	-	-
(Loss)/profit for the period and total comprehensive (expense)/income		(3,000)	23	(2,977)	(5,000)	(3,750)	(8,750)

The above results were derived from continuing operations.

Espresso UK Limited

(Registration number: 03012988)
Statement of Financial Position as at 29 May 2016

	Note	29 May 2016 £	31 May 2015 £
Assets			
Current assets			
Trade and other receivables	7	13,500	13,500
Prepayments		-	11,250
		13,500	24,750
Total assets		13,500	24,750
Equity and liabilities			
Current liabilities			
Trade and other payables	11	(320,712)	(328,985)
Total liabilities		(320,712)	(328,985)
Net liabilities		(307,212)	(304,235)
Equity			
Share capital	8	1,000,000	1,000,000
Accumulated deficit		(1,307,212)	(1,304,235)
Total equity		(307,212)	(304,235)
Total equity and liabilities		13,500	24,750

These financial statements on pages 7 to 16 were approved by the Board of Directors on 11 April 2017 and signed on its behalf by:

....

T Doubleday

Director

Espresso UK Limited

Statement of Changes in Equity for the 52 weeks ended 29 May 2016

	Share capital £	Accumulated deficit £	Total equity £
At 2 June 2014	1,000,000	(1,295,485)	(295,485)
Loss for the period	-	(8,750)	(8,750)
Total comprehensive expense	-	(8,750)	(8,750)
At 31 May 2015	1,000,000	(1,304,235)	(304,235)

	Share capital £	Accumulated deficit £	Total equity £
At 1 June 2015	1,000,000	(1,304,235)	(304,235)
Loss for the period	-	(2,977)	(2,977)
Total comprehensive expense	-	(2,977)	(2,977)
At 29 May 2016	1,000,000	(1,307,212)	(307,212)

The notes on pages 10 to 16 form an integral part of these financial statements.

1 General information

Espresso UK 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 286 restaurants as at 29 May 2016, 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 13.

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.

These are the first Company financial statements prepared under FRS 101. For the 52 weeks ended 31 May 2015 the Company prepared its financial statements in accordance with UK generally accepted accounting principles ("UK GAAP"). The transition from UK GAAP to FRS 101 has had no impact on the Company's reported financial position or financial performance..

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 judgement in the process of applying the Company's accounting policies.

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

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.
- Paragraphs 6 and 21 of IFRS 1 "First-time adoption of International Financial Reporting Standards" (requirement to present opening statement of financial position).

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on the going concern basis which the Directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided to it by Casual Dining Bidco Limited. The Company's parent undertaking Casual Dining Bidco Limited has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available. This will enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Changes in accounting policy and disclosures

None of the standards, interpretations and amendments effective for the first time from 1 June 2015 have had a material effect on the financial statements.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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.

2 Accounting policies (continued)

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 operating 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.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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.

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.

Exceptional items

Costs incurred in the period which are classified as exceptional are material in nature and derive from events or transactions that do not fall within the ordinary activities of the Company and which are individually, or in aggregate, of such size or incidence to require specific disclosure.

3 Staff costs

The Company had no employees during the period (2015 - nil). Neither of the two Directors (2015 - two) received any remuneration in respect of their services for the Company during the period (2015 - £Nil).

4 Auditors' remuneration

	1 June 2015 to 29 May 2016 £	2 June 2014 to 31 May 2015 £
Audit of the financial statements	2,000	3,000
Other fees to auditors		
All other tax advisory services	1,000	2,000

5 Exceptional Items

	1 June 2015 to 29 May 2016 £	2 June 2014 to 31 May 2015 £
Net increase/(decrease) in onerous contract provision	(23)	3,750
	(23)	3,750

The tax effect in the Statement of Comprehensive Income relating to the exceptional items recognised below operating profit is £5 (2015 - £782).

An impairment review was conducted across the Company and highlighted sites which management consider to have onerous fixed cost obligations, for which a net provision of £23 has been released (2015 - £3,750 charged).

6 Income tax

Tax charged in the statement of comprehensive income

	1 June 2015 to 29 May 2016 £	2 June 2014 to 31 May 2015 £
Current taxation		
UK corporation tax	-	-

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.84%).

The differences are reconciled below:

	1 June 2015 to 29 May 2016 £	2 June 2014 to 31 May 2015 £
Loss before tax	(2,977)	(8,750)
Corporation tax at standard rate	(596)	(1,824)
Deferred tax asset not recognised	596	-
Group relief surrendered for nil consideration	-	1,824
Total tax charge	-	-

The Company has an unrecognised deferred tax asset in respect of losses carried forward of £596 (2015 - £nil) due to it not being sufficiently probable that it will be utilised in the near future.

The UK corporation tax rate is 20% from 1 April 2015 and this has been reflected in the accounts. Further changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As these changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements. Deferred tax has therefore been provided for at 18% (2015 - 20%) and the pro-rated corporation tax rate for the period is 20% (2015 - 20.84%)

7 Trade and other receivables

	29 May 2016 £	31 May 2015 £
Other receivables	13,500	13,500

8 Share capital

Allotted, called up and fully paid shares

	29 May 2016 No.	29 May 2016 £	31 May 2015 No.	31 May 2015 £
Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000

9 Lease commitments

Operating leases

The total future value of minimum lease payments is as follows:

	2016 £
Within one year	45,000
In two to five years	137,836
	182,836

10 Provisions for other liabilities and charges

	Onerous contracts £
At 1 June 2015	-
Provisions utilised	(23)
Released in the period	23
At 29 May 2016	-

Onerous contract provision

The provision for onerous contracts is in respect to operating lease arrangements, and represents estimated discounted cash flows over the life of the contract that are considered onerous.

11 Trade and other payables

	29 May 2016 £	31 May 2015 £
Accrued expenses	-	11,250
Payables to related parties	320,712	317,735
	320,712	328,985

Payables to related parties have no fixed repayment date, are interest free and unsecured.

12 Related party transactions

The Company has taken advantage of the exemption in FRS 101 "Related Party Disclosures" from disclosing transactions with other members of the Group.

13 Parent and ultimate parent undertaking

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.