Company Registration No. 3247459

Coq d'Argent Limited

Report and Financial Statements

31 March 2009

Coq d'Argent Limited

Report and financial statements 2009

Contents

Coq d'Argent Limited

Officers and professional advisers

Directors

D Gunewardena
D Loewi
A Bellamy (resigned 1 January 2009)

Secretary

A McLauchlan (appointed 1 January 2009)

Registered Office

16 Kirby Street
London EC1N 8TS

Auditors

Deloitte LLP
Chartered Accountants
London

Coq d'Argent Limited

Directors' report

The directors present their report and financial statements for the year ended 31 March 2009.

Principal activity

The principal activity of the company was the operation of the restaurants Coq d'Argent at No. 1 Poultry, London and the Royal Exchange Grand Café and Bar, at the Royal Exchange, London.

Review of the business, key performance indicators and future developments

The directors consider the results for the year to be satisfactory in the context of the economic recession which prevailed during the financial year.

The directors consider Turnover and EBITDAM (earnings before interest, taxation, depreciation, amortisation and management fees) as the key performance indicators for the company. Turnover for the year decreased from £11,614,000 in 2008 to £10,566,000 in 2009, whilst EBITDAM decreased from £3,640,000 in 2008 to £3,201,000 in 2009.

The directors expect the results to continue to be satisfactory, assuming a continuation of current economic conditions.

Results and dividends

The profit and loss account is set out on page 8 and shows a profit before taxation for the year of £2,082,000 (2008 – £2,202,000). Dividends for the year totalled £1,400,000 (2008 – £1,800,000).

Principal risks and uncertainties

The company follows the mitigating activities of its parent company, CGL Restaurant Holdings Limited (the "Group"), to manage the principal risks and uncertainties, arising from both internal and external factors that could impact the company's performance. The Group has risk management processes to identify, monitor and evaluate such issues as they emerge, enabling the Board to take appropriate action where possible.

Economic and market risk

The economic environment and general consumer sentiment have a significant bearing on the success of the Group. Following the global financial crisis that started in Autumn 2008 the economy has slowed down and entered recession. Consumer spending has been affected by these events, particularly in the area of corporate events. Furthermore, the Group is exposed to the market risks associated with the activities and operation of competing restaurants.

The Group is committed to maintaining a highly desirable customer experience. The D&D brand is synonymous with style and exclusivity. Internal processes ensure that the Group is well positioned to react to market pressures while continuing to deliver a high quality product at competitive prices to its customers.

Operational efficiency and cost control

The Group faces growing internal and external cost pressures. These pressures are managed with a focus on improving supply chain management, operational efficiency and rigorous cost control. The Group is constantly looking to implement new initiatives to improve efficiency across the whole business, resulting in lower operating costs without compromising product quality or service levels. This, helps support the businesses' competitiveness and profitability.

Coq d'Argent Limited

Directors' report (continued)

Principal risks and uncertainties (continued)

Financing and treasury

Key to the financial success of the business is the availability of sufficient bank facilities to permit the Group to meet its obligations and to enable it to continue to fund its growth through investment in new restaurants and in improving its existing venues.

The Group also manages its interest rate and foreign currency risks through appropriate policies laid down by the Board.

Major operational risk

In common with other businesses, the Group depends on its process and control framework to mitigate the possibility of a major failure in operations, information technology, finance, human resources or other key business processes capable of having an impact on its performance. These failures may be caused by internal factors, such as a major information techndogy systems failure, a supply chain breakdown or failure to retain key personnel. They could also be driven by external events, such as disruptions or other adverse events affecting our relationship with, or the performance of, major suppliers, financial services providers, designers or concessionaires, terrorism or natural disasters and other major events which impact the Group as well as the communities it serves. The Group is committed to developing and strengthening its coordinated risk management and assurance mechanisms to manage these risks in a manner which it believes ensure an appropriate and effective control framework for its businesses at a local, national and corporate level.

Major health and safety risks

The Group takes its responsibilities in the field of health, safety and the environment very seriously and fully recognises the potential human, reputational and financial consequences of these risks. The business has dedicated teams addressing these risks and follows policy and procedure.

Going concern

During the year the company made an operating profit of £2,082,000 (2008: £2,305,000). The balance sheet showed net current liabilities of £1,617,000 (2008: £1,860,000) due to the company's policy of distributing all surplus cash to its parent company, CGL Restaurant Holdings Limited. The company has no external loan as set out in these financial statements

The directors have reviewed the current and projected financial position of the company and of the group the company belongs to, making reasonable assumptions about trading performance. After making enquiries, the directors have a reasonable expectation that the company will have access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Directors

The directors of the company who served during the year were as listed on page 1.

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Directors' report (continued)

Directors' statements as to disclosure of information to auditors

The directors who were members of the board at the time of approving the Directors' Report are listed on page 1.

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Auditors

Ernst & Young LLP resigned as auditors during the year.

Deloitte LLP were appointed as auditors during the year. Deloitte LLP have indicated their willingness to continue in office and a resolution to reappoint them as auditors will be put to the members at the Annual General Meeting

Approved by the Board and signed on its behalf by:

Secretary

29 January 2010

Coq d'Argent Limited

Statement of 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgments and 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 proper accounting records that 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 1985. 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.

Independent auditors' report to the members of Coq d'Argent Limited

We have audited the financial statements of Coq d'Argent Limited for the year ended 31 March 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Independent auditors' report to the members of Coq d'Argent Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
24 JANUARY 2010

Coq d'Argent Limited

Profit and loss account
Year ended 31 March 2009

	Notes	2009 £'000	2008 £'000
Turnover	2	10,566	11,614
Cost of sales		(7,596)	(8,461)
Gross profit		2,970	3,153
Administrative expenses		(888)	(848)
Operating profit	3	2,082	2,305
Interest payable	6	-	(103)
Profit on ordinary activities before taxation		2,082	2,202
Tax on profit on ordinary activities	7	(611)	(638)
Profit for the financial year		1,471	1,564

All amounts reported in the profit and loss account relate to continuing operations.

There were no recognised gains or losses during the current or prior year other than the profit for that financial year. Accordingly, no statement of total recognised gains and losses has been presented

Coq d'Argent Limited

Balance sheet
31 March 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Tangible assets	9	2,046	2,225
Current assets			
Stocks	10	376	358
Debtors	11	332	539
Cash at bank and in hand		350	290
		1,058	1,187
Creditors: amounts falling due within one year	12	(2,675)	(3,047)
Net current liabilities		(1,617)	(1,860)
Total assets less current liabilities		429	365
Provision for deferred tax	13	(55)	(62)
Net assets		374	303
Shareholders' funds			
Called-up share capital	14	–	–
Profit and loss account	15	374	303
Total shareholders' funds		374	303

These financial statements of Coq d'Argent Limited, registered number 3247459, were approved and authorised for issue by the Board of Directors on 21 January 2010.

Signed on behalf of the Board of Directors

Director

Notes to the accounts
Year ended 31 March 2009

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The accounting policies adopted by the company are set out below and are consistent with those of the previous year.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on pages2 to 4. The balance sheet showed net current liabilities of £1,617,000 (2008: £1,860,000) due to the company's policy of distributing all surplus cash to its parent company, CGL Restaurant Holdings Limited. The company has no external loan as set out in these financial statements.

The directors have reviewed the current and projected financial position of the company and of the group the company belongs to, making reasonable assumptions about trading performance. After making enquiries, the directors have a reasonable expectation that the company will have access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements

Turnover

Turnover represents sales to outside customers at invoiced amounts excluding discretionaryservice charge and Value Added Tax.

Turnover is recognised when the significant risks and benefits of ownership of the products have transferred to the buyer. This will occur through the provision of restaurant services and sale of goods, and will be upon the completion of a sale to customers.

Tangible fixed assets

Tangible fixed assets are included at cost, less accumulated depreciation.

Depreciation is charged on a straight-line basis over the following periods:

Leasehold improvements	–	over the shorter of the period of the lease and 25 years
Furniture, fixtures and fittings	–	over 4 years
Plant and equipment	–	over 4 years

Stocks

Stocks consist of raw materials, consumables, crockery, linen and staff uniforms. Raw materials and consumables are stated at the lower of cost and net realisable value on a first-in, first-out basis.

Crockery, linen and staff uniforms are accounted for on a renewals basis.

Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the period of the lease. In accordance with UITF28, the aggregate benefit of any rent free period under rental operating lease is also taken to income on a straight-line basis over the period to the first rent review.

Statement of cash flows

The company is a wholly owned subsidiary of CGL Restaurant Holdings Limited andis exempt under the terms of Financial Reporting Standard No.1 (Revised) from publishing a statement of cash flow.

Notes to the accounts
Year ended 31 March 2009

1. Accounting policies (continued)

Pension costs and other post-retirement benefits

The company does not operate its own pension scheme. The company makes contributions to certain senior employees' personal pension schemes, which are charged to the profit and loss account as they fall due.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligaion to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

Turnover, attributable to continuing operations, is derived from the sale of food, wines, spirits, beverages and sundry items.

3. Operating profit

Operating profit is stated after charging:

	2009 £'000	2008 £'000
Depreciation	264	344
Auditors' remuneration		
– Fees payable to the company's auditors for the audit of the company's annual accounts	10	10
– Fees payable to the company's auditors for other services	-	2
Operating leases – property	564	620
Management fees	855	991

Management services are provided to the company by D&D London Limited, a fellow subsidiaryundertaking.

4. Directors' remuneration

No remuneration is payable directly to the directors nor are any pension contributions payable on their behalf.

Notes to the accounts
Year ended 31 March 2009

5. Staff costs

Staff costs consist of:

	2009 £'000	2008 £'000
Wages and salaries	1,963	2,273
Social security	167	185
Pension costs	7	11
	2,137	2,469

The average full-time equivalent number of persons employed by thecompany during the year was 168 (2008 – 187).

6. Interest payable

	2009 £'000	2008 £'000
Interest payable to group undertaking	-	103

7. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2009 £'000	2008 £'000
Current tax		
UK corporation tax	615	696
Tax under/(over) provided in previous years	3	(9)
Total current tax (note 7(b))	618	687
Deferred tax		
Origination and reversal of timing differences	(9)	(18)
Tax under/(over) provided in previous years	2	(31)
Total deferred tax (note 13)	(7)	(49)
Tax on profit on ordinary activities	611	638

Notes to the accounts
Year ended 31 March 2009

7. **Tax (continued)**

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year varies from the standard rate of corporation tax in the UK of 28% (2008 – 30%). The differences are reconciled below:

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	2,082	2,202
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK	583	661
Expenditure not deductible for tax purposes	23	21
Depreciation in excess of capital allowances	9	14
Tax under/(over) provided in previous years	3	(9)
Total current tax (note 7(a))	618	687

8. **Dividends**

	2009 £'000	2008 £'000
Equity dividends on ordinary shares:		
Interim paid - £700,000 per ordinary share (2008: £900,000 per ordinary share)	1,400	1,800

Notes to the accounts
Year ended 31 March 2009

9. Tangible fixed assets

	Leasehold improvements £'000	Furniture, fixtures and fittings £'000	Plant and equipment £'000	Total £'000
Cost:				
At 1 April 2008	2,902	1,107	939	4,948
Additions	7	18	61	86
Reclassifications	-	33	(33)	-
Other adjustments	(3)	-	-	(3)
At 31 March 2009	2,906	1,158	967	5,031
Depreciation:				
At 1 April 2008	981	926	816	2,723
Provided during the year	78	107	79	264
Reclassifications	-	33	(33)	-
Other adjustments	(3)	-	1	(2)
At 31 March 2009	1,056	1,066	863	2,985
Net book value:				
At 31 March 2009	1,850	92	104	2,046
At 31 March 2008	1,921	181	123	2,225

10. Stocks

	2009 £'000	2008 £'000
Raw materials and consumables	126	135
Crockery, linen and staff uniforms	250	223
	376	358

11. Debtors

	2009 £'000	2008 £'000
Trade debtors	179	274
Amounts owed by group undertakings	26	21
Other debtors	1	20
Prepayments and accrued income	126	224
	332	539

Notes to the accounts
Year ended 31 March 2009

12. Creditors: amounts falling due within one year

	2009 £'000	2008 £'000
Trade creditors	835	822
Amounts owed to group undertakings	155	665
Amounts owed to group undertakings in respect of group relief	618	687
Other taxation and social security	155	97
Other creditors	413	191
Accruals and deferred income	499	585
	2,675	3,047

13. Provision for deferred tax

The deferred tax included in the balance sheet is as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	55	62
Provision for deferred tax	55	62
At 1 April	62	111
Deferred tax credit in the profit and loss account	(7)	(49)
At 31 March	55	62

14. Authorised and issued share capital

	2009 £	2008 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called-up and fully paid		
2 ordinary shares of £1 each	2	2

Notes to the accounts
Year ended 31 March 2009

15. Reconciliation of shareholders' funds and movements on reserves

	Called-up share capital 2009 £'000	Profit and loss account 2009 £'000	Total shareholders' funds 2009 £'000	Total shareholders' funds 2008 £'000
At 1 April	-	303	303	539
Profit after taxation	-	1,471	1,471	1,564
Dividends	-	(1,400)	(1,400)	(1,800)
At 31 March	-	374	374	303

16. Lease commitments

The company leases certain land and buildings. The rents payable under these leases aresubject to review at intervals specified in the lease.

The current annual rentals under the foregoing leases are as follows:

	Property 2009 £'000	Property 2008 £'000
Operating leases which expire:		
– between 2 and 5 years	-	7
– after more than 5 years	313	309
	313	316

17. Contingent liabilities

The company, together with its ultimate parent undertaking and certain fellow subsidiaries, is party to an intercompany guarantee dated 13 September 2006 in favour of the governor and company of The Bank of Scotland given as security for debt facilities provided to the ultimate parent undertaking and its subsidiaries. As at the balance sheet date, the net amount dueunder these facilities was £30,328,000.

18. Related party transactions

No disclosure is made of transactions with group undertakings as permitted by Financial Reporting Standard No. 8.

There were no other material related party transactions.

19. Ultimate parent undertaking and controlling party

The company is a subsidiary undertaking of CGL Restaurant Holdings Limited,incorporated in Great Britain and registered in England and Wales. The results of the company are consolidated into the financial statements of CGL Restaurant Holdings Limited, the ultimate parent undertaking of the restaurants managed by D&D London Limited. CGL Restaurant Holdings Limited is the parent company of the smallest and largestgroup of which the company is a member. Copies of the financialstatements of CGL Restaurant Holdings Limited can be obtained from 16 Kirby Street, London EC1N 8TS.