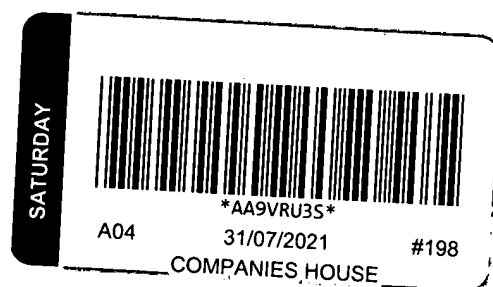


Registered number: 03442265

GIRAFFE CONCEPTS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**



GIRAFFE CONCEPTS LIMITED

COMPANY INFORMATION

Directors	T Curle (appointed 6 August 2019) S Leihal (appointed 27 January 2020)
Registered number	03442265
Registered office	Colmore Court 9 Colmore Row Birmingham West Midlands B3 2BJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1 Whitehall Riverside Whitehall Road Leeds West Yorkshire LS1 4BN

GIRAFFE CONCEPTS LIMITED

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GIRAFFE CONCEPTS LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 29 DECEMBER 2019

Introduction

The Directors present their Strategic Report of Giraffe Concepts Limited ("the Company") for the year ended 29 December 2019. The comparative information is for the 52 weeks ended 30 December 2018.

Review of the business

The principal activity of the Company is that of operating restaurants. There has been no significant change in the nature of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

At the turnover level, the Company traded below the prior year with turnover of £50.1m (30 December 2018: £61.7m). The decrease in turnover is as a result of store closures and challenging casual dining market conditions.

During 2019, the Company has continued to invest in the existing brands to enhance customer experience and increase operational efficiencies. The Directors are pleased with the performance to date and believe these brands offer significant growth potential for the future.

On 21 March 2019, creditors approved plans to enter into a Company Voluntary Arrangement ("CVA") which allows the business to exit up to 30 poor performing stores, with rent reductions on a further 13 stores. Notice of completion of the CVA was received on 16 October 2019.

This has driven site asset impairments of £0.5m (30 December 2018: £6.2m) and intangible asset impairments of £nil (30 December 2018: £2.8).

The Company has recorded a statutory loss before tax of £5.6m (30 December 2018: £17.2m). The balance sheet as at the end of the period shows net liabilities of £26.9m (30 December 2018: £21.3m). The balance sheet includes tangible fixed assets of £8.9m (30 December 2018: £9.1m). The decrease in assets is driven by the impairment and closure of trading sites, partially offset by investment in new Slim Chickens sites. Net current liabilities at the balance sheet date are £35.6m (30 December 2018: £29.5m) and have increased due to additional funding from a related party.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are:

- Pricing increases on key commodities
- Property costs and energy prices
- Regulatory and Legislative impacts
- Recruitment and retention of staff with post Brexit uncertainty on immigration policy

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact on the group performance. Monitoring exposure to risk and uncertainty is an integral part of the Company's management processes.

GIRAFFE CONCEPTS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2019

Key performance indicators (KPIs)

The directors use a variety of key performance indicators ("KPIs") to monitor and measure the performance of the business against budgets and the prior period. Such KPIs include, but are not limited to, turnover and gross profit. The key non financial performance indicators are the average number of staff employed by the Company, labour turnover, guest feedback measures, compliance with health and safety regulations and maintaining the highest levels of food hygiene.

The key performance indicators for the year together with the comparatives for the 52 weeks ended 30 December 2018;

	29 December 2019	30 December 2018
Turnover (£)	50.1m	61.7m
Gross Profit (£)	38.1m	45.4m
Average number of employees	1,003	1,314

This report was approved by the board on

29/7/2021

and signed on its behalf.



S Leihal
Director

GIRAFFE CONCEPTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 29 DECEMBER 2019

The directors present their report and the financial statements for the period ended 29 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the Company is that of operating restaurants. There has been no significant change in the nature of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

Business review

On 21 March 2019, creditors approved plans to enter into a Company Voluntary Arrangement ("CVA") which allows the business to exit up to 30 poor performing stores, with rent reductions on a further 13 stores. It also provides for an additional £6.5m loan from Amber REI Holdings Limited (a related party) (R S and B K Boparan are considered to be the ultimate controlling party of Amber REI Holdings Limited). This loan is to support the recovery plan, which will see re investment in the remaining estate and the expansion of the Slim Chickens concept.

At the date of signing of the financial statements, 30 restaurants have been closed. Notice of completion of the CVA was received on 16 October 2019.

GIRAFFE CONCEPTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2019**

Results and Dividends

The loss for the period, after taxation, amounted to £5.6m (52 weeks period ended 30 December 2018: loss £17.2m).

No dividends have been declared in the period (52 week period ended 30 December 2018: £Nil).

Directors

The directors who served during the year and subsequently were:

S D'Cruz (resigned 15 April 2020)
L McIlwee (resigned 20 April 2020)
T Curle (appointed 6 August 2019)
T Crowley (resigned 27 January 2020)
S Henderson (resigned 4 August 2019)
S Leihal (appointed 27 January 2020)

Going concern

In March 2020, the UK faced unprecedented challenges from the Covid-19 pandemic. As a business, we took immediate steps to safeguard the health and wellbeing of our employees and customers in line with government guidelines. The UK Government announced all restaurants were to close on 20 March 2020. All employees based in the restaurants and a large number of Head Office employees were furloughed, the remaining Head Office employees worked from home. All the restaurants reopened and traded for takeaway, delivery and eat-in during the summer and early autumn, taking advantage of the Eat Out to Help Out scheme in August. All sites closed again from 5 November 2020 for eat-in due to the 2nd lockdown and whilst a number re-opened on 2 December 2020 depending upon the relevant tier for each location full closure for eat-in came into effect on 24th December 2020. A roadmap to lifting the restrictions was announced by the Prime Minister on 22nd February 2021 which will see outdoor restaurant spaces open on 12th April and eat-in resuming on 17th May.

The Directors have prepared forecasts for the Company and concluded that it is appropriate to prepare these financial statements on a going concern basis. In arriving at this conclusion, the directors have obtained confirmation from Invest Co 1 Limited, the ultimate controlling party at the date of signing these financial statements, who has confirmed that it will continue to provide financial support to the Company for a period of at least the next twelve months after the date of signing the financial statements.

Future developments

The existing business and future growth are funded from the continued financial support of the parent company. The parent company has committed to provide sufficient liquidity and capital expenditure where needed. The business continues to commit in investing in its core assets (people, property and product), to ensure customers receive the very best proposition delivered with industry leading value and provenance.

GIRAFFE CONCEPTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2019**

Financial risk management

The business has the full support of its owner to provide the required liquidity and capital expenditure to ensure that the business is not only a going concern but is able to realise its full potential. This is also the basis on which management determines that there is no liquidity risk and a low credit risk.

Management are well progressed in delivering the synergy benefits from bringing the branded restaurants under the stewardship of one Executive management team and using the skill and scale of the wider group buying structure to leverage cost benefits. This has helped mitigate the impact of inflationary cost pressure in 2019 and further opportunities exist looking further ahead.

The Company operates within a framework of weekly reporting which covers performance measures for profitability and cash flow. A set of monthly management accounts are produced to manage the drivers of the business P&L in a controlled manner, so as to minimise the financial and operational impacts and risks upon the Company.

Employee involvement

The Company recognises that its principal asset is its employees and their commitment to the Company's service, standards and customer. The Company's personnel policies ensure that all employees are made aware on a regular basis of the Company's policies, programme and progress. Communication methods to employees vary according to need and will include but are limited by, function updates, email bulletins, business briefings, intranet, internal newsletters, direct correspondence (where appropriate), information and consultation forum, team meetings and management briefings.

The Company offers equal opportunities to all employees and applicants regardless of race, creed, sex, ethnic origin, age or disability. Disabled persons are considered for employment where they have appropriate life skills and abilities to perform a job. Employees who become disabled during their working lives will be retained in employment whenever possible and will be given help with any necessary rehabilitation and retraining.

Qualifying third party indemnity provisions

All directors benefited from qualifying indemnity insurance policies in place during the financial year.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

As at 28 December 2019 there was no explicit evidence of human to human transmission of COVID-19. The subsequent spread of COVID-19 does not provide further evidence of conditions that existed at the year-end and is therefore considered to be a non-adjusting post balance sheet event in accordance with Section 32 of FRS 102. Accordingly, the development of COVID-19 has not been reflected in the directors' assessment of the measurement of assets and liabilities such as impairment of tangible assets, expected credit losses and the recoverability of deferred tax assets.

GIRAFFE CONCEPTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2019**

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29/7/2021 and signed on its behalf.



S Leihal
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIRAFFE CONCEPTS LIMITED

Opinion

We have audited the financial statements' of Giraffe Concepts Limited (the 'Company') for the period ended 29 December 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements':

- give a true and fair view of the state of the Company's affairs as at 29 December 2019 and of its loss for 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.

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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIRAFFE CONCEPTS LIMITED
(CONTINUED)**

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.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic Report and Directors' 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.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIRAFFE CONCEPTS LIMITED (CONTINUED)

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

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GIRAFFE CONCEPTS LIMITED
(CONTINUED)**

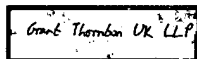
Auditor's responsibilities for the audit of the financial statements

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.

Use of our report

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.



Richard Woodward BA FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds
Date: 29/7/2021

GIRAFFE CONCEPTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 29 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	4	50,081,865	61,670,443
Cost of sales		(12,028,053)	(16,255,212)
Gross profit		38,053,812	45,415,231
Administrative expenses		(42,933,980)	(53,601,911)
Impairment of fixed assets	5	(547,486)	(8,949,113)
Operating loss	6	(5,427,654)	(17,135,793)
Interest receivable and similar income	10	244	96
Interest payable and expenses	11	(165,065)	(86,632)
Loss before tax		(5,592,475)	(17,222,329)
Tax on loss	12	-	-
Loss for the financial period		(5,592,475)	(17,222,329)
Other comprehensive income for the period			
Other comprehensive income		-	-
Total comprehensive expense for the year		(5,592,475)	(17,222,329)

There were no recognised gains and losses for 2019 or 2018 other than those included in the Statement of Comprehensive Income.

The notes on pages 14 to 34 form part of these financial statements.

GIRAFFE CONCEPTS LIMITED

BALANCE SHEET
AS AT 29 DECEMBER 2019

	Note	29 December 2019 £	30 December 2018 £
Fixed assets			
Intangible assets	13	458,237	534,478
Tangible assets	14	8,945,199	9,055,284
Investments	15	5	5
		<u>9,403,441</u>	<u>9,589,767</u>
Current assets			
Stocks	16	418,524	628,257
Debtors	17	4,348,006	6,673,829
Cash at bank and in hand	18	1,360,708	3,919,018
		<u>6,127,238</u>	<u>11,221,104</u>
Creditors: amounts falling due within one year	19	(41,720,941)	(40,727,138)
Net current liabilities		<u>(35,593,703)</u>	<u>(29,506,034)</u>
Total assets less current liabilities		<u>(26,190,262)</u>	<u>(19,916,267)</u>
Creditors: amounts falling due after more than one year	20	(721,584)	(1,403,104)
Net liabilities		<u><u>(26,911,846)</u></u>	<u><u>(21,319,371)</u></u>
Capital and reserves			
Called up share capital	22	1,631,995	1,631,995
Share premium account	23	17,898,863	17,898,863
Other reserves	23	10,062,440	10,062,440
Profit and loss account	23	(56,505,144)	(50,912,669)
		<u><u>(26,911,846)</u></u>	<u><u>(21,319,371)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29/7/2021

S Leihal
Director



The notes on pages 14 to 34 form part of these financial statements.

GIRAFFE CONCEPTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 DECEMBER 2019**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 31 December 2018	1,631,995	17,898,863	10,062,440	(50,912,669)	(21,319,371)
Comprehensive expense for the year					
Loss for the period	-	-	-	(5,592,475)	(5,592,475)
Total comprehensive expense for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,592,475)</u>	<u>(5,592,475)</u>
At 29 December 2019	<u>1,631,995</u>	<u>17,898,863</u>	<u>10,062,440</u>	<u>(56,505,144)</u>	<u>(26,911,846)</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 DECEMBER 2018**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 2 January 2017	1,631,995	17,898,863	10,062,440	(33,690,340)	(4,097,042)
Comprehensive expense for the period					
Loss for the period	-	-	-	(17,222,329)	(17,222,329)
Total comprehensive expense for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,222,329)</u>	<u>(17,222,329)</u>
At 30 December 2018	<u>1,631,995</u>	<u>17,898,863</u>	<u>10,062,440</u>	<u>(50,912,669)</u>	<u>(21,319,371)</u>

The notes on pages 14 to 34 form part of these financial statements.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

1. General information

Giraffe Concepts Limited is a private company limited by shares and incorporated in England and Wales. The registered head office is located at Colmore Court, 9 Colmore Row, Birmingham, West Midlands, B3 2BJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The financial statements are made up to the Sunday nearest to the period end for each financial period.

The financial statements are presented in Sterling (£).

The Company has taken advantage of the following exemptions on the basis that it is a qualifying entity and its ultimate parent company, Invest Co 1 Limited, has included this information:

- a) from preparing a statement of cash flows;
- b) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29;
- c) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)

2.2 Going concern

In March 2020, the UK faced unprecedented challenges from the Covid-19 pandemic. As a business, we took immediate steps to safeguard the health and wellbeing of our employees and customers in line with government guidelines. The UK Government announced all restaurants were to close on 20 March 2020. All employees based in the restaurants and a large number of Head Office employees were furloughed, the remaining Head Office employees worked from home. All the restaurants reopened and traded for takeaway, delivery and eat-in during the summer and early autumn, taking advantage of the Eat Out to Help Out scheme in August. All sites closed again from 5 November 2020 for eat-in due to the 2nd lockdown and whilst a number re-opened on 2 December 2020 depending upon the relevant tier for each location full closure for eat-in came into effect on 24th December 2020. A roadmap to lifting the restrictions was announced by the Prime Minister on 22nd February 2021 which will see outdoor restaurant spaces open on 12th April and eat-in resuming on 17th May.

The Directors have prepared forecasts for the Company and concluded that it is appropriate to prepare these financial statements on a going concern basis. In arriving at this conclusion, the directors have obtained confirmation from Invest Co 1 Limited, the ultimate controlling party at the date of signing these financial statements, who has confirmed that it will continue to provide financial support to the Company for a period of at least the next twelve months after the date of signing the financial statements.

2.3 Turnover

Turnover represents amounts receivable for goods and services provided in our restaurants together with franchise, royalty and licence fees received from operators of Giraffe and Ed's branded products, restaurants and concessions.

Turnover generated in our own restaurants is recognised at the point of sale net of taxes. Franchise development fees are recognised when a franchisee opens the related store for trading which is generally when we have fulfilled all of our commitments in respect of the fee. Ongoing franchise fees are based on franchise store sales to customers and are recognised in the period to which those sales relate. Licence fees are based on licence sales to customers and are recognised in the period to which those sales relate.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)**2.4 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life of years of 20 years.

Development costs

Development costs are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives range as follows:

Development expenditure	-	5 years
Trademarks	-	5-10 years

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold land and buildings	- 25 years or over the period of lease if shorter
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Office equipment	- 15% on cost
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)**2.6 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)**2.11 Financial instruments (continued)**

rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)

2.14 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.16 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.17 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.18 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

2.20 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

2. Accounting policies (continued)

2.20 Taxation (continued)

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.21 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies set out above management is required to make certain estimates and judgements concerning the future. These judgements are regularly reviewed and updated as necessary.

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether there are any indicators of impairment of the Company's fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. When an impairment review is carried out, the recoverable value is determined based on value in use calculations which require estimates to be made of future cash flows or assessment of the fair value less costs to sell, which includes significant judgement to derive the valuation.

Other key sources of estimation uncertainty:

a) Dilapidation provisions

Provisions are made based on the estimated costs necessary to restore properties to their condition at least inception discounted to present value. The calculation of the provision includes significant judgement as the ultimate cost is dependent on the condition of the property at the time of exit.

b) Deferred tax asset

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The directors review the forecasts of the business to assess the recoverability of these assets. The recognition of the asset includes significant judgement as the reversal of the asset depends on forecasts.

c) Onerous lease provision

The calculation of the onerous lease provision includes significant management judgement in particular relating to the mitigation of lease costs through subsequent sublease income. The directors have concluded that no onerous provision is required at 29 December 2019.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Sale of goods	46,893,380	58,889,567
Rental income	645,422	634,938
Franchise fee income	2,543,063	2,145,938
	<u>50,081,865</u>	<u>61,670,443</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	49,497,248	61,424,598
Rest of Europe	251,144	-
Rest of the world	333,473	245,845
	<u>50,081,865</u>	<u>61,670,443</u>

5. Impairment of fixed assets

	2019 £	2018 £
Impairment of tangible fixed assets	547,486	6,194,025
Impairment of intangible fixed assets	-	2,755,088
	<u>547,486</u>	<u>8,949,113</u>

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

6. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	2,083,048	2,742,096
Impairment of tangible fixed assets	547,486	6,194,025
Amortisation of intangible assets, including goodwill	84,177	263,184
Impairment of intangible assets	-	2,755,088
Other operating lease rentals	6,990,232	9,226,236
Cost of stocks recognised as an expense (included in cost of sales)	<u>12,028,054</u>	<u>16,255,212</u>

Profit and losses on fixed asset disposals are classified as normal operating costs. During the year 30 sites were disposed of (30 December 2018: 2 sites).

7. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>58,044</u>	<u>55,675</u>

Fees paid to the Company's auditor, Grant Thornton UK LLP, other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated accounts of the Company's parent, Invest Co 1 Limited, are required to disclose non-audit fees on a consolidated basis.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	17,669,172	21,986,781
Social security costs	1,393,095	1,691,597
Cost of defined contribution scheme	305,088	247,326
	<u>19,367,355</u>	<u>23,925,704</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2019 No.	2018 No.
Administrative	68	73
Restaurant	935	1,241
	<u>1,003</u>	<u>1,314</u>

9. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	447,761	450,535
Company contributions to defined contribution pension schemes	30,000	33,622
	<u>477,761</u>	<u>484,157</u>

During the period retirement benefits were accruing to 2 directors (2018 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £250,764 (2018 - £241,831).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £16,500 (2018 - £18,078).

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

10. Interest receivable

	2019 £	2018 £
Other interest receivable	<u>244</u>	<u>96</u>

11. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	157,662	86,632
Other loan interest payable	7,403	-
	<u>165,065</u>	<u>86,632</u>

12. Taxation

	2019 £	2018 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>-</u>	<u>-</u>

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

12. Taxation (continued)

Factors affecting tax credit for the period

The tax credit assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(5,592,475)	(17,222,329)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (30 December 2018: 19%).	(1,062,570)	(3,272,243)
Effects of:		
Expenses not deductible for tax purposes	33,778	76,443
Other permanent difference	283	-
Transfer pricing adjustments	(45,978)	-
Fixed asset differences	192,673	1,409,742
Movements in unrecognised deferred tax	881,814	1,786,058
Total tax charge for the year	-	-

The Company has a potential deferred tax asset of £5,606,053 (30 December 2018: £4,724,239), which has not been recognised as it is not regarded as more likely than not that there will be sufficient taxable profits from which the losses and capital allowances can be deducted.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

13. Intangible assets

	Development expenditure £	Trademarks £	Total £
Cost			
At 31 December 2018	194,545	467,204	661,749
Additions	7,936	-	7,936
At 29 December 2019	<u>202,481</u>	<u>467,204</u>	<u>669,685</u>
Amortisation			
At 31 December 2018	33,892	93,379	127,271
Charge for the year	37,464	46,713	84,177
At 29 December 2019	<u>71,356</u>	<u>140,092</u>	<u>211,448</u>
Net book value			
At 29 December 2019	<u>131,125</u>	<u>327,112</u>	<u>458,237</u>
At 30 December 2018	<u>160,653</u>	<u>373,825</u>	<u>534,478</u>

Amortisation is charged to administrative expenses.

The development expenditure and trademarks have an estimated remaining useful life of 2 years.

GIRAFFE CONCEPTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019

14. Tangible fixed assets

	Leasehold Property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Office equipment £	Total £
Cost						
At 31 December 2018	22,232,519	8,819,543	11,500,745	2,240,517	742,690	45,536,014
Additions	1,305,775	109,651	655,919	449,104	-	2,520,449
Transfers between classes	-	(8,929,194)	8,929,194	-	-	-
At 29 December 2019	23,538,294	-	21,085,858	2,689,621	742,690	48,056,463
Depreciation						
At 31 December 2018	18,784,447	7,008,036	8,903,111	1,167,671	617,465	36,480,730
Charge for the period on owned assets	856,582	349,995	441,242	435,229	-	2,083,048
Transfers between classes	-	(7,450,648)	7,450,648	-	-	-
Impairment charge	232,815	92,617	195,408	26,646	-	547,486
At 29 December 2019	19,873,844	-	16,990,409	1,629,546	617,465	39,111,264
Net book value						
At 29 December 2019	3,664,450	-	4,095,449	1,060,075	125,225	8,945,199
At 30 December 2018	3,448,072	1,811,507	2,597,634	1,072,846	125,225	9,055,284

The directors have reviewed the classification of fixed assets and have reclassified certain items from plant and machinery to fixtures and fittings which reflects the nature of these assets for a restaurant business.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

14. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	29 December 2019 £	30 December 2018 £
Long Leasehold	3,664,450	3,448,072

The directors have reviewed the trading results and forecasts for the restaurant portfolio and recorded an impairment charge of £547,486 (30 December 2018: £6,194,025), for those sites where the carrying value of the fixed assets is not supported by the future forecast cashflows. The impairment charge has been reduced by the fair value of those assets where appropriate.

15. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 31 December 2018	5
At 29 December 2019	5

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
SC Restuarants (UK) Limited*	Dormant	Ordinary	100%
EED Middle East Limited	Non-trading	Ordinary	100%
ED's Easy Diner International Limited	Non-trading	Ordinary	100%
ED's Easy Diner Limited	Dormant	Ordinary	100%

*Apple Pan Limited changed its name to SC Restaurants (UK) Limited on 2 October 2019.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

16. Stocks

	29 December 2019 £	<i>30 December 2018 £</i>
Raw materials and consumables	418,524	628,257
	<u>418,524</u>	<u>628,257</u>

Stock is stated after provisions for impairment of £nil (2018: £nil)

There is no material difference between replacement cost of stocks and the amounts stated above.

17. Debtors

	29 December 2019 £	<i>30 December 2018 £</i>
Trade debtors	712,328	2,157,598
Amounts owed by group undertakings	1,134,984	627,554
Other debtors	874,320	374,909
Prepayments and accrued income	1,626,374	3,513,768
	<u>4,348,006</u>	<u>6,673,829</u>

Trade debtors are stated after provisions for impairment of £nil (2018: £nil).

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

18. Cash and cash equivalents

	29 December 2019 £	<i>30 December 2018 £</i>
Cash at bank and in hand	1,360,708	3,919,018
Less: bank overdrafts	-	(4,527,353)
	<u>1,360,708</u>	<u>(608,335)</u>

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

19. Creditors: Amounts falling due within one year

	29 December 2019 £	30 December 2018 £
Bank overdrafts	-	4,527,353
Lease incentives	105,655	223,553
Trade creditors	4,223,258	8,386,381
Amounts owed to group undertakings	370,053	-
Amounts owed to related parties	32,798,495	21,679,205
Other taxation and social security	1,869,598	2,409,481
Other creditors	716,637	965,560
Accruals and deferred income	1,637,245	2,535,605
	41,720,941	40,727,138

Bank overdrafts

The overdraft is secured by a fixed charge over the Company's fixed assets.

Amounts owed to group undertakings

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Amounts owed to related parties

See further details on note 27.

20. Creditors: Amounts falling due after more than one year

	29 December 2019 £	30 December 2018 £
Lease incentives	721,584	1,403,104

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

21. Financial instruments

	29 December 2019 £	30 December 2018 £
Financial assets		
Financial assets measured at amortised cost	<u>4,082,339</u>	<u>7,079,079</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>39,745,685</u>	<u>38,094,104</u>

Financial assets measured at amortised cost comprise of cash at bank and in hand, trade debtors, amounts owed by group undertakings, amounts owed by related party undertakings and other debtors.

Financial liabilities measured at amortised cost comprise of bank overdrafts, trade creditors, amounts owed to group undertakings, amounts owed to related parties, other creditors and accruals.

22. Share capital

	29 December 2019 £	30 December 2018 £
Allotted, called up and fully paid		
3,263,990 (2018 - 3,263,990) Ordinary shares of £0.50 each	<u>1,631,995</u>	<u>1,631,995</u>

23. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

The other reserve includes capital contributions.

Profit and loss account

Includes all current and prior period retained profits and losses, less dividends.

24. Capital commitments

The company had no capital or other commitments at 29 December 2019 (30 December 2018: £nil).

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

25. Pension commitments

The Company contributes to a defined contribution pension scheme on behalf of some employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £305,088 (30 December 2018: £247,326). There were £59,680 contributions outstanding at 30 December 2019 (30 December 2018: £90,600).

26. Commitments under operating leases

At 29 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	29 December 2019 £	30 December 2018 £
Not later than 1 year	4,135,846	9,188,990
Later than 1 year and not later than 5 years	14,838,206	32,836,927
Later than 5 years	15,034,623	38,338,814
	<u>34,008,675</u>	<u>80,364,731</u>

The Company has entered into sub-lease arrangements on certain properties. Future minimum sub-lease payments expected to be received under non-cancellable sub-lease are as follows:

	29 December 2019 £	30 December 2018 £
Not later than 1 year	624,423	649,423
Later than 1 year and not later than 5 years	2,263,788	2,488,445
Later than 5 years	2,522,337	3,245,255
	<u>5,410,548</u>	<u>6,383,123</u>

27. Related party transactions

As a subsidiary undertaking of Invest Co 1 Limited, the Company has taken advantage of the exemption not to disclose transactions with other members of the group headed by Invest Co 1 Limited.

R S and B K Boparan are considered to be the ultimate controlling party of Amber REI Holdings Limited ("AREIL"), a party related by common control. As at the period end, AREIL was owed £32,798,495 (30 December 2018: £21,679,205) from the Company.

GIRAFFE CONCEPTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2019**

28. Post balance sheet events

As at 28 December 2019 there was no explicit evidence of human to human transmission of COVID-19. The subsequent spread of COVID-19 does not provide further evidence of conditions that existed at the year-end and is therefore considered to be a non-adjusting post balance sheet event in accordance with Section 32 of FRS 102. Accordingly, the development of COVID-19 has not been reflected in the directors' assessment of the measurement of assets and liabilities such as impairment of tangible assets, expected credit losses and the recoverability of deferred tax assets.

29. Controlling party

The Company's immediate parent company is Boparan Restaurants Holdings Limited, which is incorporated in the United Kingdom. The ultimate parent company is Invest Co 1 Limited, which is incorporated in the United Kingdom.

The largest and smallest group in which the results of the Company are consolidated is that headed by Invest Co 1 Limited. The consolidated accounts of this Company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the Company.

The ultimate controlling party is considered to be RS & BK Boparan.