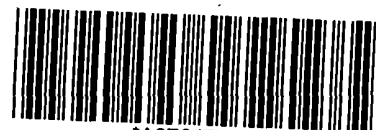


**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017  
FOR  
APOSTROPHE RESTAURANTS LIMITED**

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**APOSTROPHE RESTAURANTS LIMITED**

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FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

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**APOSTROPHE RESTAURANTS LIMITED**

**COMPANY INFORMATION  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

**DIRECTORS:**

Mr C C J Copner  
Mr M A A M Al-Rabban  
Mr E A Behbehani  
Mr M Ghalaie  
Mrs P J Manuel  
Mr A T L Woodruff

**SECRETARY:**

Mr C C J Copner

**REGISTERED OFFICE:**

Unit K Ashville Trading Estate  
The Runnings  
Cheltenham  
Gloucestershire  
GL51 9PT

**REGISTERED NUMBER:**

04054395 (England and Wales)

**AUDITORS:**

Randall & Payne LLP  
Chartered Accountants  
and Registered Auditor  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

## **APOSTROPHE RESTAURANTS LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

The directors present their strategic report for the period 1 January 2016 to 29 January 2017.

#### **REVIEW OF BUSINESS**

Apostrophe Restaurants Limited ("ARL", the "Company") was acquired by Soho Coffee Company Holdings Limited (now renamed BTC Hospitality Investments Limited) from CH&Co Catering Limited on 31 May 2016.

ARL is now a trading company in the newly formed BTC Hospitality group of companies ("BTC Hospitality"). BTC Hospitality was established during the year ended 29 January 2017 following the two corporate acquisitions of ARL and Euphorium Bakery Company Limited ("EBCL"), to sit alongside the existing Soho Coffee Shops Limited ("SCSL") trading company under the renamed common parent company, BTC Hospitality Investments Limited.

ARL currently has a managed store portfolio of ten Apostrophe branded coffee shops in London, several of which are in the process of being converted to either the Soho Coffee Co, or Euphorium brand.

BTC Hospitality, including ARL, is owned and funded by its Qatari ultimate beneficial owner ("BTC Qatar"). BTC Qatar is a major retail, hospitality and property organisation, based in Qatar with operations across the Middle East, and with approximately \$1 billion assets under management. BTC Qatar is committed to further investment in the UK food and beverage market, and will fund the ambitious stores and infrastructure capital expenditure program of BTC Hospitality over the next several years.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

##### **Company Risks**

Within the context of the BTC Hospitality group, ARL is entering a period of significant restructuring and organisational change to the business. During this period of planned group restructuring, ARL is expected to incur operating losses until the operational transfer and conversion of loss making stores is completed, and other remedial action can be taken.

Whilst there is a degree of uncertainty over the timing and extent of ARL's anticipated future losses, the Directors consider the associated solvency and liquidity risks to be fully mitigated by the ongoing financial support of BTC Qatar.

The Company is fully funded by a series of shareholder loans, and has no external third party financial debt.

##### **Market and economic risks**

ARL operates in the UK food and beverage retail market, and is subject to the full range of market and economic risks and uncertainties, including specific risks associated with underlying consumer spending trends and cycles. In particular, the Directors note the following market risks and uncertainties relevant to the Company:

In addition to general economic uncertainty over future levels of consumer demand and supply side issues, the impact on the business of the Brexit referendum and the UK's pending withdrawal from the European Union is currently unclear. In particular, there is uncertainty over the extent to which purchasing and import costs may increase as a result of Brexit.

Labour costs and regulatory burden in the UK market. Notable examples of increasing costs include: continuing increase to the National Living Wage, auto-enrolment pension contributions, and the new Apprenticeship Levy commencing on 1 April 2017.

The high level of overall competition for customers, staff and property opportunities in the UK food and beverage market. In particular, securing new, and extending existing property lease agreements on acceptable commercial terms is key for the business to continue to grow and be profitable in the future.

## **APOSTROPHE RESTAURANTS LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

#### **DEVELOPMENT AND PERFORMANCE**

The BTC Hospitality Directors made the strategic decision to acquire ARL, despite the loss-making performance of its legacy Apostrophe branded stores, in order to gain an immediate and significant leased property portfolio and presence in the London market, from which to drive further growth for the group.

Since the acquisition, the size of the ARL portfolio of managed stores has decreased from fifteen at 31 May 2016 to ten currently, including two outright site disposals (High Holborn and St Bride's), and three stores transferred to the operatorship of SCSL (Strand, St Paul's and Baker Street).

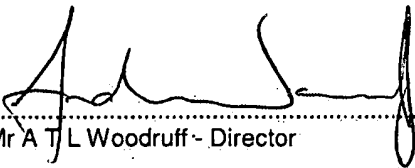
The majority of the remaining legacy Apostrophe branded stores are currently economically marginal or loss-making at the level of operations, with the decision having been taken to minimise but accept losses while establishing a detailed plan to transfer the majority of the remaining ARL stores to the operatorship of either SCSL or EBCL. The store conversion program is on schedule to be completed in the first half of the year.

#### **FINANCIAL KEY PERFORMANCE INDICATORS**

The standalone financial performance of ARL presented in these accounts is for the statutory 13-month period since the last ARL audit (31 December 2015), and covers the period from 1 January 2016 to 29 January 2017, either side of the change in ownership.

The Directors note that, in the consolidated group accounts of BTC Hospitality, the results of ARL are only consolidated from the date of acquisition (31 May 2016) onwards.

#### **ON BEHALF OF THE BOARD:**



Mr A T L Woodruff - Director

Date: 18 May 2017

## **APOSTROPHE RESTAURANTS LIMITED**

### **REPORT OF THE DIRECTORS FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

The directors present their report with the financial statements of the company for the period 1 January 2016 to 29 January 2017.

#### **DIVIDENDS**

No dividends will be distributed for the period ended 29 January 2017.

#### **RESEARCH AND DEVELOPMENT**

The Directors are considering all possible future uses and directions for the Apostrophe brand, and intend to engage in various forms of market testing over the next year to retain optionality for the brand going forward. This includes diverting central BTC Hospitality business development resource to Apostrophe market and brand concept research.

#### **FUTURE DEVELOPMENTS**

The Directors intend to complete the program of operational transfer and conversion of the majority of the remaining ARL sites to SCSL and EBCL next year.

The Directors continue to monitor all opportunities to develop and grow the business, including potential further development of franchise operations in the UK and abroad, and further corporate acquisitions.

#### **DIRECTORS**

The directors who have held office during the period from 1 January 2016 to the date of this report are as follows:

Mr C C J Copner - appointed 31 May 2016  
Mr M A A M Al-Rabban - appointed 31 May 2016  
Mr E A Behbehani - appointed 31 May 2016  
Mr M Ghalaie - appointed 31 May 2016  
Mrs P J Manuel - appointed 31 May 2016  
Mr A T L Woodruff - appointed 15 September 2016  
Ms M S Musselwhite - resigned 31 May 2016  
Mr W J Toner - resigned 31 May 2016

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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;
- 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.

**APOSTROPHE RESTAURANTS LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

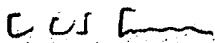
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Randall & Payne LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
Mr C C J Copner - Director

Date: 18 May 2017

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF APOSTROPHE RESTAURANTS LIMITED**

We have audited the financial statements of Apostrophe Restaurants Limited for the period ended 29 January 2017 on pages eight to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors 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.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 January 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
APOSTROPHE RESTAURANTS LIMITED**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Russel Byrd FCA FCCA (Senior Statutory Auditor)  
for and on behalf of Randall & Payne LLP  
Chartered Accountants  
and Registered Auditor  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

Date: 22 June 2017

**APOSTROPHE RESTAURANTS LIMITED**

**STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

	Notes	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
<b>CONTINUING OPERATIONS</b>			
Revenue		3,833,024	3,888,769
Cost of sales		<u>(909,526)</u>	<u>(930,439)</u>
<b>GROSS PROFIT</b>		2,923,498	2,958,330
Administrative expenses		<u>(4,356,800)</u>	<u>(4,051,292)</u>
<b>OPERATING LOSS</b>		(1,433,302)	(1,092,962)
Finance costs	4	(92,215)	(53,553)
Finance income	4	<u>2,005</u>	<u>-</u>
<b>LOSS BEFORE INCOME TAX</b>	5	(1,523,512)	(1,146,515)
Income tax	6	<u>(69,399)</u>	<u>-</u>
<b>LOSS FOR THE PERIOD</b>		<u>(1,592,911)</u>	<u>(1,146,515)</u>

**APOSTROPHE RESTAURANTS LIMITED**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

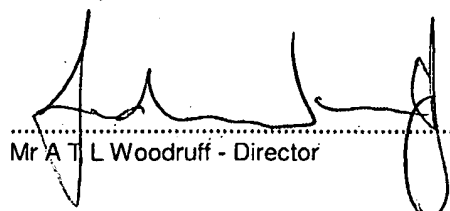
	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
<b>LOSS FOR THE PERIOD</b>	<b>(1,592,911)</b>	<b>(1,146,515)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>—</b>	<b>—</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>(1,592,911)</u></b>	<b><u>(1,146,515)</u></b>

**APOSTROPHE RESTAURANTS LIMITED (REGISTERED NUMBER: 04054395)**

**STATEMENT OF FINANCIAL POSITION  
29 JANUARY 2017**

	Notes	2017 £	2015 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	<u>1,128,187</u>	<u>1,350,136</u>
<b>CURRENT ASSETS</b>			
Inventories	8	35,867	55,034
Trade and other receivables	9	372,005	660,985
Cash and cash equivalents	10	<u>158,537</u>	<u>34,406</u>
		<u>566,409</u>	<u>750,425</u>
<b>TOTAL ASSETS</b>		<u><b>1,694,596</b></u>	<u><b>2,100,561</b></u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	11	1,390,100	1,390,100
Share premium	12	1,845,752	1,845,752
Capital redemption reserve	12	1,942,877	1,942,877
Retained earnings	12	<u>(7,403,929)</u>	<u>(5,811,018)</u>
<b>TOTAL EQUITY</b>		<u><b>(2,225,200)</b></u>	<u><b>(632,289)</b></u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	14	3,189,527	1,846,125
Deferred tax	17	<u>69,399</u>	<u>-</u>
		<u><b>3,258,926</b></u>	<u><b>1,846,125</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	620,870	797,725
Provisions	16	<u>40,000</u>	<u>89,000</u>
		<u><b>660,870</b></u>	<u><b>886,725</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>3,919,796</b></u>	<u><b>2,732,850</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1,694,596</b></u>	<u><b>2,100,561</b></u>

The financial statements were approved by the Board of Directors on 18 May 2017 and were signed on its behalf by:

  
.....  
Mr A T L Woodruff - Director

**APOSTROPHE RESTAURANTS LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2015</b>	1,390,100	(4,664,503)	1,845,752	1,942,877	514,226
<b>Changes in equity</b>					
Total comprehensive income	-	(1,146,515)	-	-	(1,146,515)
<b>Balance at 31 December 2015</b>	<u>1,390,100</u>	<u>(5,811,018)</u>	<u>1,845,752</u>	<u>1,942,877</u>	<u>(632,289)</u>
<b>Changes in equity</b>					
Total comprehensive income	-	(1,592,911)	-	-	(1,592,911)
<b>Balance at 29 January 2017</b>	<u>1,390,100</u>	<u>(7,403,929)</u>	<u>1,845,752</u>	<u>1,942,877</u>	<u>(2,225,200)</u>

**APOSTROPHE RESTAURANTS LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

		PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(881,104)	(873,318)
Interest paid		<u>(92,215)</u>	<u>(53,553)</u>
Net cash from operating activities		<u>(973,319)</u>	<u>(926,871)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(181,918)	(30,862)
Interest received		<u>2,005</u>	<u>-</u>
Net cash from investing activities		<u>(179,913)</u>	<u>(30,862)</u>
<b>Cash flows from financing activities</b>			
New loans in year		1,326,363	904,519
Movement in provisions		<u>(49,000)</u>	<u>(10,519)</u>
Net cash from financing activities		<u>1,277,363</u>	<u>894,000</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>124,131</u>	<u>(63,733)</u>
Cash and cash equivalents at beginning of period	2	<u>34,406</u>	<u>98,139</u>
Cash and cash equivalents at end of period	2	<u><u>158,537</u></u>	<u><u>34,406</u></u>

# APOSTROPHE RESTAURANTS LIMITED

## NOTES TO THE STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017

### 1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
Loss before income tax	(1,523,512)	(1,146,515)
Depreciation charges	420,906	137,938
Finance costs	92,215	53,553
Finance income	(2,005)	-
	(1,012,396)	(955,024)
Decrease/(increase) in inventories	19,167	(55,034)
Decrease/(increase) in trade and other receivables	288,980	(660,985)
(Decrease)/increase in trade and other payables	(176,855)	797,725
<b>Cash generated from operations</b>	<b>(881,104)</b>	<b>(873,318)</b>

### 2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

#### Period ended 29 January 2017

	29/1/17 £	1/1/16 £
Cash and cash equivalents	<u>158,537</u>	<u>34,406</u>

#### Period ended 31 December 2015

	31/12/15 £	1/4/15 £
Cash and cash equivalents	<u>34,406</u>	<u>98,139</u>

## APOSTROPHE RESTAURANTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017

#### 1. STATUTORY INFORMATION

Apostrophe Restaurants Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

#### 2. ACCOUNTING POLICIES

##### Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

##### Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- over the remaining life of the lease.
Plant and machinery	- Straight line over 10 years
Fixtures and fittings	- 15% on cost

##### Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

##### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

##### Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

##### Going concern

The directors have not identified any material uncertainties that may cast significant doubt about the company's ability to continue as a going concern.

#### 3. EMPLOYEES AND DIRECTORS

	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
Wages and salaries	1,413,225	1,521,274
Social security costs	76,883	96,494
Other pension costs	6,303	13,352
	<u>1,496,411</u>	<u>1,631,120</u>



# APOSTROPHE RESTAURANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017

### 3. EMPLOYEES AND DIRECTORS - continued

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

PERIOD 1/1/16 TO 29/1/17	PERIOD 1/4/15 TO 31/12/15
<u>116</u>	<u>115</u>

No directors received remuneration during the year.

### 4. NET FINANCE COSTS

	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
Finance income:		
Deposit account interest	<u>2,005</u>	<u>-</u>
Finance costs:		
Bank interest	1	6,442
BTC loan interest	17,039	-
Cash Handling Charges	<u>75,175</u>	<u>47,111</u>
	<u>92,215</u>	<u>53,553</u>
Net finance costs	<u>90,210</u>	<u>53,553</u>

### 5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
Cost of inventories recognised as expense	909,526	930,439
Hire of plant and machinery	33,587	3,127
Other operating leases	1,568,848	896,402
Depreciation - owned assets	403,867	289,316
Auditors' remuneration	6,600	-
Auditors' remuneration for non-audit work	<u>2,500</u>	<u>-</u>

# APOSTROPHE RESTAURANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017

### 6. INCOME TAX

#### Analysis of tax expense

	PERIOD 1/1/16 TO 29/1/17 £	PERIOD 1/4/15 TO 31/12/15 £
Deferred tax	<u>69,399</u>	<u>-</u>
Total tax expense in statement of profit or loss	<u>69,399</u>	<u>-</u>

The company has losses available to carry forward and offset against future profits of £3,507,354, (2015: £101,930).

### 7. PROPERTY, PLANT AND EQUIPMENT

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2016	2,833,611	854,020	1,813,089	5,500,720
Additions	<u>53,040</u>	<u>72,311</u>	<u>56,567</u>	<u>181,918</u>
At 29 January 2017	<u>2,886,651</u>	<u>926,331</u>	<u>1,869,656</u>	<u>5,682,638</u>
<b>DEPRECIATION</b>				
At 1 January 2016	1,930,926	587,212	1,632,446	4,150,584
Charge for period	<u>249,658</u>	<u>65,955</u>	<u>88,254</u>	<u>403,867</u>
At 29 January 2017	<u>2,180,584</u>	<u>653,167</u>	<u>1,720,700</u>	<u>4,554,451</u>
<b>NET BOOK VALUE</b>				
At 29 January 2017	<u>706,067</u>	<u>273,164</u>	<u>148,956</u>	<u>1,128,187</u>
At 31 December 2015	<u>902,685</u>	<u>266,808</u>	<u>180,643</u>	<u>1,350,136</u>

### 8. INVENTORIES

	2017 £	2015 £
Stocks	<u>35,867</u>	<u>55,034</u>

### 9. TRADE AND OTHER RECEIVABLES

	2017 £	2015 £
Current:		
Trade debtors	73,369	104,708
Other debtors	83,524	141,588
Prepayments and accrued income	<u>215,112</u>	<u>414,689</u>
	<u>372,005</u>	<u>660,985</u>

# APOSTROPHE RESTAURANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017

### 10. CASH AND CASH EQUIVALENTS

	2017 £	2015 £
Petty cash	11,200	16,650
Cash at bank	<u>147,337</u>	<u>17,756</u>
	<u>158,537</u>	<u>34,406</u>

### 11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2015 £
114,506,102	Ordinary A	1p	1,145,000	1,145,000
24,506,102	Ordinary B	1p	245,100	245,100
1	Deferred	1p	-	-
1	Preference	1p	-	-
			<u>1,390,100</u>	<u>1,390,100</u>

Shares rank equally for voting and dividend purposes. Members will have one vote per share held.

### 12. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 January 2016	(5,811,018)	1,845,752	1,942,877	(2,022,389)
Deficit for the period	<u>(1,592,911)</u>			<u>(1,592,911)</u>
At 29 January 2017	<u>(7,403,929)</u>	<u>1,845,752</u>	<u>1,942,877</u>	<u>(3,615,300)</u>

### 13. TRADE AND OTHER PAYABLES

	2017 £	2015 £
Current:		
Trade creditors	453,906	292,031
Social security and other taxes	(33,258)	43,689
Wages Control	80,010	15,887
Pension Control	3,104	4,053
Other creditors	39,105	242,605
Deferred income	-	15,973
Accrued expenses	68,316	150,019
VAT	<u>9,687</u>	<u>33,468</u>
	<u>620,870</u>	<u>797,725</u>

# **APOSTROPHE RESTAURANTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

### **14. FINANCIAL LIABILITIES - BORROWINGS**

	2017 £	2015 £
Non-current		
Other loans - 1-2 years	3,172,488	1,846,125
Interest accruing on other loans	<u>17,039</u>	<u>-</u>
Total loans repayable	<u>3,189,527</u>	<u>1,846,125</u>

### **15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2015 £
Within one year	835,596	835,596
Between one and five years	2,939,034	3,126,551
In more than five years	<u>1,972,600</u>	<u>2,620,680</u>
	<u>5,747,230</u>	<u>6,582,827</u>

### **16. PROVISIONS**

	2017 £	2015 £
Other provisions dilapidations	<u>40,000</u>	<u>89,000</u>
Analysed as follows:		
Current	<u>40,000</u>	<u>89,000</u>

Provisions for Dilapidations reduced this year to £40,000 from £89,000 in 2015.

### **17. DEFERRED TAX**

	2017 £	2015 £
Movement in year	<u>69,399</u>	<u>-</u>
Balance at 29 January	<u>69,399</u>	<u>-</u>

### **18. ULTIMATE PARENT COMPANY**

The ultimate controlling party is Business Trading Company LLC, a company registered in Qatar. However the immediate parent company is BTC Hospitality Investments Limited by virtue of its ownership of 100% of the issued share capital of Apostrophe Restaurants Limited.

## **APOSTROPHE RESTAURANTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 JANUARY 2016 TO 29 JANUARY 2017**

#### **19. RELATED PARTY DISCLOSURES**

##### **BTC Qatar LLC (ultimate parent company)**

During the year the company received a loan from BTC Qatar LLC of £2,063,997.

The balance owing to BTC Qatar LLC as at 29 January 2017 was £2,063,997 (2015: £nil.) Interest has been charged on the balance and there are no set repayment terms.

##### **BTC Hospitality Investments Limited (immediate parent company)**

During the period the company recharged wages to its parent company BTC Hospitality Investments Limited of £36,779 (2015: £nil).

The balance owing to BTC Hospitality Investments as at 29 January 2017 was £36,779 (2015: £nil). No interest has been charged on this balance and there are no set repayment terms.

##### **Soho Coffee Shops Limited (a company under common control)**

During the year the company received a loan from Soho Coffee Shops Limited of £1,088,751 (2015: £nil).

The balance owing to Soho Coffee Shops Limited as at 29 January 2017 was £1,088,751 (2015: £nil). Interest has been charged on this balance, and there are no set repayment terms.

#### **20. FIRST TIME ADOPTION OF IFRS**

The policies applied under the entity's previous accounting framework are not materially different to IFRS and have not impacted on equity or profit or loss.

In addition to adopting IFRS in preparing statutory accounts for Apostrophe for the period ended 29 January 2017, the directors have made certain re-classifications in order to bring the reporting conventions in line with the rest of the BTC Hospitality Investments Group.

#### **21. YEAR END DATE**

The company has taken advantage of the 'seven day rule' which allows companies to prepare accounts up to 7 days either side of the Accounting Reference Date. The company has chosen to prepare its accounts up to 29 January 2017.

**APOSTROPHE RESTAURANTS LIMITED****RECONCILIATION OF EQUITY****1 APRIL 2015****(DATE OF TRANSITION TO IFRS)**

	<b>FRS 101 £</b>	<b>Effect of Transition to IFRS £</b>	<b>IFRS £</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<u>1,128,187</u>	-	<u>1,128,187</u>
<b>CURRENT ASSETS</b>			
Inventories	35,867	-	35,867
Trade and other receivables	372,005	-	372,005
Cash and cash equivalents	<u>98,139</u>	-	<u>98,139</u>
	<u>506,011</u>	-	<u>506,011</u>
<b>TOTAL ASSETS</b>	<u>1,634,198</u>	-	<u>1,634,198</u>
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	1,390,100	-	1,390,100
Share premium	1,845,752	-	1,845,752
Capital redemption reserve	1,942,877	-	1,942,877
Retained earnings	<u>(7,394,928)</u>	-	<u>(7,394,928)</u>
<b>TOTAL EQUITY</b>	<u>(2,216,199)</u>	-	<u>(2,216,199)</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	<u>3,189,527</u>	-	<u>3,189,527</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	620,870	-	620,870
Financial liabilities - borrowings			
Interest bearing loans and borrowings	<u>40,000</u>	-	<u>40,000</u>
	<u>660,870</u>	-	<u>660,870</u>
<b>TOTAL LIABILITIES</b>	<u>3,850,397</u>	-	<u>3,850,397</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,634,198</u>	-	<u>1,634,198</u>

**APOSTROPHE RESTAURANTS LIMITED**

**RECONCILIATION OF EQUITY - continued**  
**31 DECEMBER 2015**

	FRS 101 £	Effect of Transition to IFRS £	IFRS £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<u>1,350,136</u>	-	<u>1,350,136</u>
<b>CURRENT ASSETS</b>			
Inventories	55,034	-	55,034
Trade and other receivables	660,985	-	660,985
Cash and cash equivalents	<u>34,406</u>	-	<u>34,406</u>
	<u>750,425</u>	-	<u>750,425</u>
<b>TOTAL ASSETS</b>	<u><u>2,100,561</u></u>	-	<u><u>2,100,561</u></u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	1,390,122	(22)	1,390,100
Share premium	1,845,752	-	1,845,752
Capital redemption reserve	1,942,877	-	1,942,877
Retained earnings	<u>(5,811,040)</u>	22	<u>(5,811,018)</u>
<b>TOTAL EQUITY</b>	<u><u>(632,289)</u></u>	-	<u><u>(632,289)</u></u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	<u>1,846,125</u>	-	<u>1,846,125</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	797,725	-	797,725
Provisions	<u>89,000</u>	-	<u>89,000</u>
	<u>886,725</u>	-	<u>886,725</u>
<b>TOTAL LIABILITIES</b>	<u><u>2,732,850</u></u>	-	<u><u>2,732,850</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>2,100,561</u></u>	-	<u><u>2,100,561</u></u>

**APOSTROPHE RESTAURANTS LIMITED****RECONCILIATION OF LOSS  
FOR THE PERIOD 1 APRIL 2015 TO 31 DECEMBER 2015**

	<b>FRS 101</b> <b>£</b>	<b>Effect of Transition to IFRS</b> <b>£</b>	<b>IFRS</b> <b>£</b>
Revenue	3,888,769	-	3,888,769
Cost of sales	<u>(1,046,001)</u>	<u>115,562</u>	<u>(930,439)</u>
<b>GROSS PROFIT</b>	<b>2,842,768</b>	<b>115,562</b>	<b>2,958,330</b>
Administrative expenses	(3,935,752)	(115,540)	(4,051,292)
Finance costs	<u>(53,553)</u>	<u>-</u>	<u>(53,553)</u>
<b>LOSS BEFORE TAX</b>	<b><u>(1,146,537)</u></b>	<b><u>22</u></b>	<b><u>(1,146,515)</u></b>
<b>LOSS FOR THE PERIOD</b>	<b><u>(1,146,537)</u></b>	<b><u>22</u></b>	<b><u>(1,146,515)</u></b>