

Carluccio's USA Limited

Financial Statements for
the period ended 25 September 2016

Registered number: 08709589

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COMPANIES HOUSE

Carluccio's USA Limited

DIRECTORS:	Neil Wickers (Chief Executive Officer) Jonathan Blanchard (Chief Financial Officer)
SECRETARY:	Jonathan Blanchard
REGISTERED OFFICE:	35 Rose Street London WC2E 9EB
REGISTERED NUMBER:	08709589
AUDITORS:	BDO LLP 55 Baker Street London W1U 7EU

Carluccio's USA Limited

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Carluccio's USA Limited

DIRECTORS' REPORT

The directors present their report and the financial statements of Carluccio's USA Limited ("the Company") for the period ending 25 September 2016.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The principal activities of the Company in the period under review were to provide finance for Carluccio's USA GP to develop Italian cafes and foodshops in the United States of America (US).

DIRECTORS

The directors, who served throughout the period unless stated below, were as follows:

Simon Kossoff	<i>Chairman (resigned 1 August 2016)</i>
Neil Wickers	<i>Chief Executive Officer (appointed 1 August 2016)</i>
Jonathan Blanchard	<i>Chief Financial Officer (appointed 18 November 2016)</i>
Frank Bandura	<i>Chief Financial Officer (resigned 18 November 2016)</i>

Directors' Remuneration

All directors are employed under service contracts with the parent company, C1 Acquisitions Limited.

No executive director has a notice period in excess of 12 months.

INDEMNITY COVER

Third party indemnity cover was in force for the directors during the financial period and remains in force at the date of approving the directors' report.

DIRECTORS' RESPONSIBILITIES

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 group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

AUDITORS

BDO LLP, who were appointed during the year, have signified their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Carluccio's USA Limited**DIRECTORS' REPORT (continued)****GOING CONCERN**

The financial statements have been prepared on a going concern basis. The Company's ultimate parent company, Landmark Retail Holdings 1 Limited, has provided a letter of support, confirming its intention to underwrite, guarantee, settle, fund or otherwise take full responsibility for the liabilities of the Company.

As a result of this letter of support the Board consider that the Group has adequate resources and facilities to continue in operational existence for the foreseeable future, and therefore the financial statements contained herein are prepared on a going concern basis.

STRATEGIC REPORT

The Company has taken advantage of the small companies exemption of Section 415A of the Companies Act 2006 in preparing the Director's report, and of the small companies exemption in not preparing the Strategic Report.

By order of the Board

A handwritten signature in black ink, appearing to read 'Jonathan Blanchard', written over a horizontal line.

Jonathan Blanchard
Director

10 February 2017
(registered number 08709589)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLUCCIO'S USA LIMITED

We have audited the financial statements of Carluccio's USA Limited for the period from 28 September 2015 to 25 September 2016 which comprise the statement of comprehensive income, the statement of changes in equity, the balance sheet, the statement of cash flows and the related notes. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International 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 an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 25 September 2016 and of the Company's profit for the period then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime and to the exemption from the requirement to prepare a Strategic Report.



Mark RA Edwards (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
16 February 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Carluccio's USA Limited

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 25 September 2016

	Note	52 weeks ended 25 September 2016 \$'000	52 weeks ended 27 September 2015 \$'000
Revenue		-	-
Cost of sales		<u>-</u>	<u>-</u>
GROSS PROFIT		-	-
Administrative expenses		<u>-</u>	<u>-</u>
OPERATING PROFIT		-	-
Finance income		-	-
Finance expense		<u>-</u>	<u>-</u>
PROFIT BEFORE TAXATION		-	-
Income tax		<u>(133)</u>	<u>133</u>
(PROFIT)/LOSS FOR THE FINANCIAL PERIOD		(133)	133
Other comprehensive income for the period		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE (PROFIT)/LOSS FOR THE PERIOD		<u>(133)</u>	<u>133</u>

Carluccio's USA Limited

STATEMENT OF CHANGES IN EQUITY

For the period ended 25 September 2016

	Share capital	Retained earnings	Total equity
	\$	\$	\$
At 28 September 2014	2	-	2
Issue of share capital	2,299,999	-	2,299,999
Profit/ (Loss) for the financial period	-	(133,000)	(133,000)
Total comprehensive income for the period	2,299,999	(133,000)	2,166,999
At 27 September 2015	2,300,001	(133,000)	2,167,001
Profit/ (Loss) for the financial period	-	133,000	133,000
Total comprehensive income for the period	-	133,000	133,000
At 25 September 2016	2,300,001	-	2,300,001

Carluccio's USA Limited

BALANCE SHEET

As at 25 September 2016

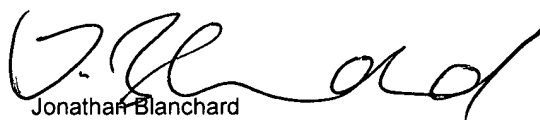
	Note	2016 \$'000	2015 \$'000
FIXED ASSETS			
Investment in subsidiaries	8	<u>1</u>	<u>1</u>
		1	1
CURRENT ASSETS			
Trade and other receivables	9	<u>11,117</u>	<u>8,155</u>
		11,117	8,155
TOTAL ASSETS		<u>11,118</u>	<u>8,156</u>
CREDITORS: amount falling due within one year			
Trade and other payables	10	<u>8,818</u>	<u>5,856</u>
Deferred tax		<u>-</u>	<u>133</u>
		8,818	5,989
TOTAL LIABILITIES		<u>8,818</u>	<u>5,989</u>
NET CURRENT ASSETS		<u>2,299</u>	<u>2,166</u>
NET ASSETS		<u>2,300</u>	<u>2,167</u>
CAPITAL AND RESERVES			
Called up share capital	11	<u>2,300</u>	<u>2,300</u>
Retained Earnings		<u>-</u>	<u>(133)</u>
TOTAL EQUITY		<u>2,300</u>	<u>2,167</u>

The notes on pages 7 to 10 form part of these financial statements.

The financial statements were approved by the Board of directors and authorised for issue on 10 February 2017 and signed on its behalf by:



Neil Wickers
Director



Jonathan Blanchard
Director

(registered number 08709589)

Carluccio's USA Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 25 September 2016

1 GENERAL INFORMATION

The financial statements of the Company for the period ended 25 September 2016 were authorised for issue in accordance with a resolution of the directors on February 2017.

Carluccio's USA Limited is incorporated in the United Kingdom with registration number 08709589. The Company is domiciled in the United Kingdom and has its registered office at 35 Rose Street, Covent Garden, London WC2E 9EB.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB) and as endorsed by the European Union. The principal accounting policies adopted by the Company are set out below.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Carluccio's Limited. The results of Carluccio's USA Limited are included in the consolidated financial statements of C1 2014 Limited which are publically available from 35 Rose Street, London WC2E 9EB. The immediate parent of Carluccio's Limited is C1 Acquisitions Limited, who is a wholly owned subsidiary of C1 2014 Limited.

The financial statements have been prepared on a historical cost basis and are presented in, US dollars rounded to the nearest thousand, except where indicated otherwise.

The financial statements are prepared to the end of whole week (Sunday) ending within 7 days of 30 September.

3 GOING CONCERN

The financial statements have been prepared on a going concern basis. The Company's ultimate parent company, Landmark Retail Holdings 1 Limited, has provided a letter of support, confirming its intention to underwrite, guarantee, settle, fund or otherwise take full responsibility for the liabilities of the Company.

As a result of this letter of support the Board consider that the Group has adequate resources and facilities to continue in operational existence for the foreseeable future, and therefore the financial statements contained herein are prepared on a going concern basis.

4 ACCOUNTING POLICIES

At the date of authorisation of these financial statements, the following new and revised Standards and interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in the financial statements.

IFRS 11 (Amended) Accounting for Acquisitions of Interests in Joint Operations
 IAS 19 (Amended) Defined Benefit Plans: Employee Contributions
 IAS 16 (Amended) Clarification of Acceptable Methods of Depreciation and Amortisation
 IFRS 2010 – 2012 Cycle
 IFRS 2011 – 2013 Cycle

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 9 (Revised) Financial Instruments
 IFRS 15 (Revised) Revenue from Contracts with Customers
 IAS 12 (Issued) Recognition of Deferred Tax Assets for Unrealised Losses
 IAS 1 (Issued) Disclosure Initiative
 IFRS 2012 – 2014 Cycle

The Directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Company in future periods, except as noted below:

IFRS 9 will impact both the measurement and disclosure of financial instruments, but not impact the underlying cash flows of the Company.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

Carluccio's USA Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

ACCOUNTING POLICIES (continued)

The significant accounting policies adopted by the Company are as follows:

Foreign currency translation

The company's financial statements are presented in US Dollars, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Investment in subsidiary

Investments are initially recognised at cost plus directly attributable transactions costs. The carrying value of the investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable

Financial Instruments

Financial assets

Trade debtors are repayable on demand and are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Financial liabilities

The Company's financial liabilities consist only of trade and other payables and accruals, which are initially recognised at fair value and subsequently carried at amortised cost.

Income taxes

Income taxes, current taxes and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and legislation that is enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base. The balance sheet method is used to calculate the deferred tax, on an undiscounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates and legislation that is enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that there will be sufficient taxable profit available to offset against the deductible temporary differences, carried forward tax credits or losses. Deferred tax is charged or credited directly to the income statement unless it relates to items charged or credited to equity in which case it is also accounted for within equity.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements under IFRS requires the directors to make estimates and judgements that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions.

The directors evaluate that there are no estimates and assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year, save for the judgement that the intercompany loan to its subsidiary will be recovered in full and therefore does not require an impairment.

Carluccio's USA Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 AUDITOR'S REMUNERATION

The audit fees of \$4,000 (2015: \$5,000) are paid by the Company's subsidiary Carluccio's USA GP.

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of its parent C1 2014 Limited (\$494).

7 DIRECTORS REMUNERATION

All directors are employed under service contracts with the parent company, C1 Acquisitions Limited, thus no remuneration costs are incurred by the Company.

8 INVESTMENT IN SUBSIDIARIES

The Company's investment in subsidiaries is as follows:

	2016 \$'000	2015 \$'000
Shares in subsidiary undertakings	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

In the opinion of the Directors the value of the investments in the subsidiary undertakings and the loan is not less than the amount shown above.

The principal subsidiaries of the Company at 25 September 2016 are as follows.

Name	Incorporated in	Proportion of voting rights and shares held	Principal activities
Carluccio's USA GP	USA	99.9%	Italian cafes & foodshops in USA
Carluccio's USA Incorporated	USA	100%	Holding Company

9 TRADE AND OTHER RECEIVABLES

	2016 \$'000	2015 \$'000
Amounts owed from subsidiary undertakings	<u>11,117</u>	<u>8,155</u>
	<u>11,117</u>	<u>8,155</u>

Amounts owed from subsidiaries are repayable on demand, there is no fixed term or redemption date, and are non-interest bearing. During the period to 25 September 2016 no amounts were over due and the Company has not made any provisions for any doubtful debts.

10 TRADE AND OTHER CREDITORS

	2016 \$'000	2015 \$'000
Held within current liabilities:		
Amounts due to parent undertakings	<u>8,818</u>	<u>5,856</u>
	<u>8,818</u>	<u>5,856</u>

Amounts due to parent undertakings are non-interest bearing and are for no fixed term.

Carluccio's USA Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 SHARE CAPITAL

	Authorised, allotted, called up and fully paid			
	2016 Number '000	2015 Number '000	2016 \$'000	2015 \$'000
Ordinary shares of £1 each	1,408	1,408	2,300	2,300
	<u>1,408</u>	<u>1,408</u>	<u>2,300</u>	<u>2,300</u>

12 RESERVES

The nature and purpose of each reserve is explained below:

Share capital – represents the nominal value of shares in issue.

13 RELATED PARTY TRANSACTIONS

The immediate parent company, Carluccio's Limited, owns 100% of the share capital of Carluccio's USA Limited. In the period ended 27 September 2015, Carluccio's Limited invested \$2,300,000 (£1,408,000) in the equity of Carluccio's USA Limited.

As at the period end, \$8,818,000 was owed from Carluccio's USA Limited (2015: \$5,856,000), Carluccio's Limited will not call this due within the next twelve months.

14 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Carluccio's Limited, a company incorporated in the United Kingdom.

The directors consider the ultimate parent undertaking and controlling party to be Landmark Retail Holdings 1 Limited, a company incorporated in the British Virgin Islands.

The parent undertakings of the smallest and largest groups of which the company is a member and for which group accounts are prepared are:

Largest Group	Landmark Retail Holdings 1 Limited
Smallest Group	C1 2014 Limited

Copies of the group accounts of C1 2014 Limited are available from the Company's head office: 35 Rose Street, London, WC2E 9EB.