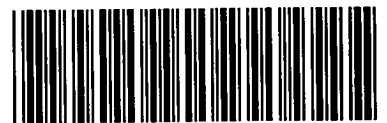


Financial Statements Patisserie Holdings Plc

For the year ended 30 September 2014

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COMPANIES HOUSE

Company No. 08963601

PATISSERIE HOLDINGS PLC

COMPANY INFORMATION

Company registration number
08963601

Registered office
146 - 156 Sarehole Road
Birmingham
B28 8DT

Website
www.investors.patisserieholdings.co.uk

Directors

Luke Johnson	Executive Chairman
Paul May	Chief Executive Officer
Chris Marsh	Finance Director
Lee Ginsberg	Non-Executive Director
James Horler	Non-Executive Director

Secretary
Chris Marsh

Bankers
HSBC
120 Edmund Street
Birmingham
B3 2QZ

Nominated Adviser and Broker
Canaccord Genuity
88 Wood Street
London
EC2V 7QR

Legal adviser
Osborne Clarke
One London Wall
London
EC2Y 5EB

Auditor
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Grant Thornton House
202 Silbury Boulevard
Central Milton Keynes
MK9 1LW

Financial PR
Maitland
Orion House
5 Upper St Martin's Lane
London
WC2H 9EA

Registrars
Capita Asset Service
The Registry

OUR BRANDS

Patisserie Valerie is an iconic brand established in Soho in 1926 offering fine continental patisserie. Patisserie Valerie offers indulgent, freshly baked premium cakes and pastries, high quality teas, coffees, continental breakfasts and light meals. Formats include cafés, concessions, brasseries, takeaways, kiosks and an online channel. Patisserie Valerie's 98 stores are located predominantly in London and across England, with a developing Scottish presence.

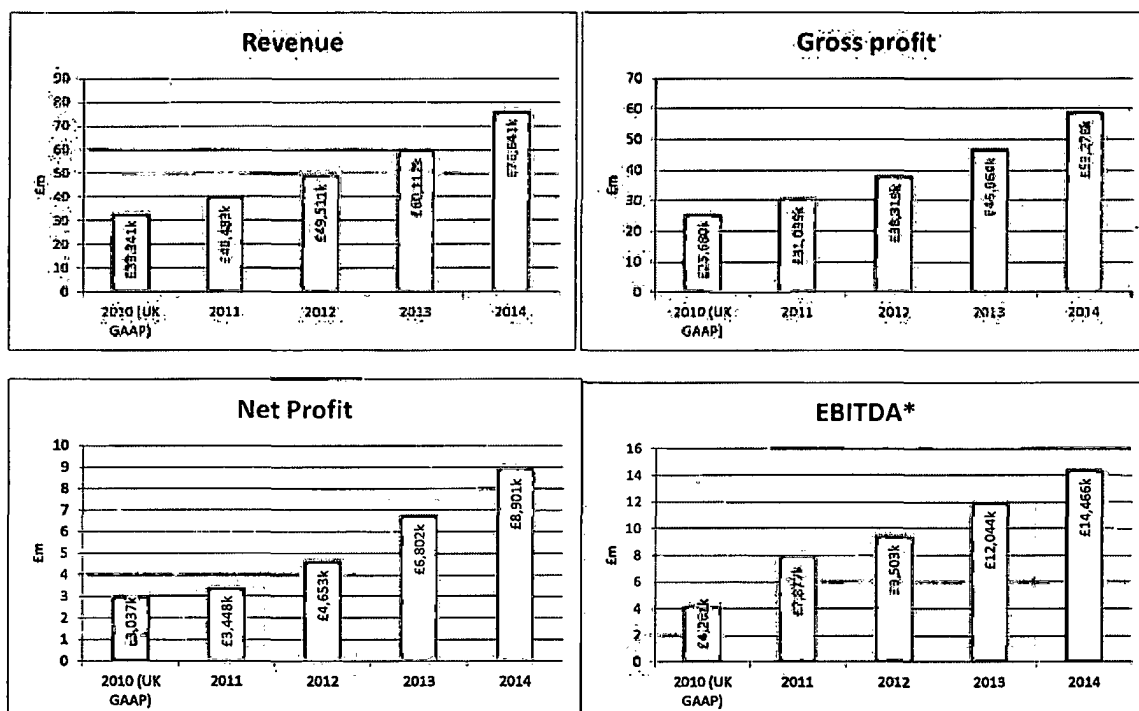
Druckers – Vienna Patisserie is a Viennese cake shop and continental coffee lounge established by Andre Drucker in 1964, offering a range of made-to-order gateaux, tarts and patisserie, premium coffees and teas and light meals. It operates 22 stores in England. Formats include cafés, takeaways and online.

Philpotts is a premium sandwich and salad retailer, established in 1985, with a strong corporate and retail lunch offering. Philpotts focuses on gourmet sandwiches, salads, specialty savoury dishes, continental meats and cheeses. Philpotts' 23 stores include sandwich shops, online and takeaway. Philpotts is headquartered in Darlington, County Durham with stores located across England and Scotland.

Baker & Spice is a high-end deli and bakery concept offering locally sourced, fair trade, organic, artisanal breads, cakes and deli foods. The offering includes premium cakes, artisan breads, cookies, treats, jams, seasonal salads and vegetable dishes. Its four stores are located across prime central London locations.

Flour Power City Bakery is an organic, artisan bakery and wholesaler supplying markets and restaurants with high-quality breads, pastries, tarts and cakes. The bakery is based in Lewisham and supplies stores in London and the Home Counties.

HIGHLIGHTS



* Details of depreciation and amortisation can be found in note 4 in the financial statements

Financial Highlights

- Group revenue of £76.6m up by 27.5% (2013: £60.1m)
- Gross profit up to £59.2m up by 26.2% (2013: £47.0m)
- Group EBITDA of £14.5m up by 20.5% (2013: £12.0m)
- Online sales of £2.6m generated in the year (2013: £1.3m).
- Strong balance sheet maintained with all long-term external funding settled in the year.
- Average store payback period of 23 months ahead of 24 month target

Operational Highlights

- Acquisition of Philpotts (Holdings) Limited which added 23 stores to the Group
- 19 new stores opened in the year (2013: 19)
- 148 stores at end of year (2013:108) made up of new openings and Philpott's acquisition
- Continued Group expansion - First motorway service station and retail park stores opened; and our first store in Wales

BOARD OF DIRECTORS

Luke Oliver Johnson, aged 52 – Executive Chairman and Chairman of the Remuneration Committee

Luke has been the Executive Chairman and majority owner of the Group since 2006. He has been involved in the hospitality industry for over 20 years: he was chairman of PizzaExpress Plc during the 1990s, was co-founder and chairman of the Strada restaurant chain, and chairman of Giraffe restaurants for nine years until 2013. He is currently chairman of Gail's bakeries and Buffet Restaurants Limited. Luke is also chairman of Neilson Active Holidays and was a non-executive director of Metro Bank Plc.

Paul Edward May, aged 55 – Chief Executive Officer

Paul joined the Group as Chief Executive Officer in 2006 and since then has overseen its expansion from eight to 148 stores. He has a highly successful entrepreneurial background which includes founding and selling Cash a Cheque, having grown it from one to 60 stores in four years. Paul has over 20 years of experience as a manager and owner of public and private companies and has made investments across multiple industries, including the Greyhound Racing Association in the leisure sector.

Christopher David Marsh, aged 40 – Finance Director

Chris joined the Group as Finance Director in 2006. Chris has advised many companies over the past 15 years in both finance director and consultancy roles. His experience includes finance director roles at two AIM quoted companies, namely Fishworks Plc and Healthy Living Centres Plc. Chris qualified as a Chartered Accountant with Vantis Plc (formerly Morton-Thornton) and also qualified as a Chartered Tax Accountant with Ernst & Young.

Lee Dale Ginsberg, aged 57 – Non-executive Deputy Chairman, Senior Independent Director and Chairman of the Audit Committee

Lee joined the Group as a Non-executive Director in April 2014. He is a non-executive director and chairman of the audit committee at Mothercare plc and has held these posts since 2012 and has also held the same role at Trinity Mirror Plc since January 2014. Lee recently announced his retirement as Chief Financial Officer of Domino's Pizza Group plc where he held this role since joining the Group in 2004. Prior to this, Lee held the position of Group Finance Director at Health Group Holdings Limited, formerly Holmes Place plc, where he also served as Deputy Chief Executive. Lee has held senior positions in both the UK and South Africa and is a Chartered Accountant having qualified with PricewaterhouseCoopers.

James Michael Alexander Horler, aged 49 – Non-executive Director

James joined the Group as a Non-executive Director in June 2013. James also currently serves as the Chief Executive Officer of 3Sixty Restaurants Ltd and holds non-executive directorships at Cartwheel Recruitment Ltd, Charterhouse Leisure Ltd, and La Sala Ltd. James has extensive experience in the hospitality and leisure industry. In 1995, he joined City Centre Restaurants Plc (now the Restaurant Group Plc) to set up Frankie & Benny's. James' tenure at Frankie & Benny's saw the chain grow to 65 trading restaurants. In 2001, James completed the management buy-in of La Tasca restaurants (16 trading restaurants) for £28 million as Chief Executive Officer. The business was floated on AIM in 2005 at a market capitalisation of £54m and a successful exit was achieved in 2007 for £134m with 74 trading restaurants, both throughout the UK and North America.

CORPORATE GOVERNANCE

As an AIM listed entity, the Group is not subject to and does not comply with the requirements of the UK Corporate Governance Code. However, the Directors recognise the value and importance of good corporate governance and are fully accountable to the Group's stakeholders including shareholders, customers, suppliers and employees. The corporate governance framework to which the Group operates including Board leadership and effectiveness, Board remuneration and internal control is set out below.

The Board

The Board is responsible for successful stewardship of the Group, creating long term value for shareholders, setting strategic objectives, managing the Group's resources effectively and mitigating risks. The Group has been effectively managed by the Executive team since 2006 growing the business from annual revenues of £5m from 8 stores to £76m from 148 sites in 2014. The Board includes two Non-Executive directors who were appointed to add experience and independent challenge to the Group as the Executive team considered their appointment appropriate for the size and complexity of the Group.

The Group does not have an independent Chairman or a nominations committee. Luke Johnson is the Executive Chairman of the Group and is beneficially interested in 42.7 per cent. of the Enlarged Share Capital of the Group, and therefore is not considered to be independent. The Board believes that Mr Johnson's position as Executive Chairman and his knowledge of the hospitality sector is strategically important to the future development of the Group.

Key sub-committees of the Board include the Audit Committee and the Remuneration Committee.

Audit Committee

The Audit Committee is chaired by Lee Ginsberg. Its other members are James Horler and Luke Johnson. The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews reports from the Group's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee meets at least three times a year and has unrestricted access to the Group's auditors.

Remuneration Committee

The Remuneration Committee is chaired by Luke Johnson. Its other members are Lee Ginsberg and James Horler. The Remuneration Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration and terms and conditions of appointment of the non-executive directors of the Group is set by the Board.

Internal control

The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and the risk profile of the Group.

The key elements of the Group's control system include:

- close management of the day to day operations by the Executive team assisted by senior management
- a comprehensive budgeting system with an annual budget approved by the Board
- daily review of revenue and staffing at store level along with cash at the Group level by senior management
- actual results are compared monthly with budgets and past results by the Board
- all significant capital expenditure and organisational changes are reviewed and approved by the Board
- the integrity and competence of personnel is ensured through high recruitment standards and subsequent training
- a clearly defined organisation structure which promotes entrepreneurial decision making whilst minimising risks

STRATEGIC REPORT

Business review and future developments

The Group has traded as Patisserie Acquisition Limited (formerly Patisserie Holdings Limited) since 2006 and grown from 8 stores generating £5m in 2006 to 148 stores generating £76m in 2014. In the year, a new holding company was incorporated, Patisserie Holdings plc which then merged with the Group and listed on the Alternative Investment Market (AIM). The results in this report and the Financial Statements assume that the enlarged Group has always been in existence.

In February 2014 the Group acquired the entire share capital of Philpotts (Holdings) Limited for a cash consideration of £6.0m (which consisted of £3.8m settled in cash and £2.2m repayment of debt), incurring acquisition costs of £0.3m. Philpotts is a premium sandwich and salad retailer, established in 1985, with a strong corporate and retail lunch offering.

The acquisition of Philpotts added 23 stores to the Group and a further 19 Patisserie Valerie stores were opened which were funded from cash reserves. The total number of stores at the end of the year was 148. The Group plans to continue with its rollout programme with 20 stores planned in 2015. Since the year end the Group has already opened 3 new stores and a further 16 stores have been identified for development.

Performance

In the year, the Group generated revenues of £76.6m, an increase from the prior year of £16.5m. Of this increase £6.3m related to the additional revenues from the acquisition of Philpotts stores and £6.4m was generated from new store openings.

The operating profit for the year, pre-exceptional costs of £0.9m was £12.1m (2013: £9.6m).

EBITDA for the year was £14.5m compared to £12.0m in 2013. Total costs associated with the listing on AIM were £1.5m of which £0.6m has been recognised in the consolidated statement of comprehensive income and £0.9m has been offset against the share premium account. Excluding the costs associated with the acquisition of Philpotts and costs of listing on AIM, the Group's EBITDA for the year would have been £15.4m.

Finance costs have reduced from £1.4m in 2013 to £0.9m in 2014 and is predominately due to the repayment of all external borrowings. The Group also renegotiated its day to day banking facilities in the year in order to reduce its transactional costs.

Position

The balance sheet remained strong with total net assets of £54.0m. Key movements from the prior year were in intangibles, property plant and equipment (PPE) and in borrowings.

The increase in intangibles was due to the acquisition of Philpotts.

The increase in PPE was due to the additional investment in new stores of £7.0m, £2.9m from the acquisition of Philpotts offset by depreciation of £3.2m.

On listing on the AIM market, new shares issued resulted in net cash proceeds of £32m a further £2m was received on the exercise of existing EMI options. This cash was then used to repay all external borrowings.

Other key amounts in the balance sheet at the year-end relate to inventories and trade liabilities which have remained consistent with the previous year.

Liquidity

In addition to the £33.9m generated from the listing on AIM, the Group delivered operating cash inflows of £9.3m before exceptional items. At the year-end short term working capital requirements of £2.4m were needed which will reverse in 2015. Had this cash flow not been incurred, operating cash inflows of £11.7m (pre-exceptional costs) would have been generated which compares to £10.5m of cash inflows in the prior year.

As well as repayment of all external debt as explained above, £7.0m was reinvested in capital expenditure for new stores.

Key Performance Indicators

The Group is monitored in line with a number of key performance indicators. These are formulated at weekly and monthly Board meetings and are reviewed at both operational and Board level.

Turnover growth

The Group is measured against sales growth and sales growth in the year was 27%.

Margin

The Group is measured against gross profit less staff costs and achieved 40% in the year.

Budget

The Group is measured against targeted EBITDA which was delivered in the year.

New sites

New sites are measured against cash payback with a target of two year payback. All sites are performing as expected.

Principal risks and uncertainties

The Group is subject to a number of business risks and uncertainties including general economic risks beyond the Groups control, risk of not delivering the Groups strategy of growing its estate, risk of increased costs, risk of reliance on key personnel, risk of failure to comply with existing or increased regulation and risk of system failures. The Board continually reviews the potential risks facing the Group and the controls in place to mitigate any potential adverse impacts. Some of the more key areas are detailed below:

Increased prices of key commodities and operating costs

The Group spends considerable time tracking the commodity prices of a number of products namely coffee, dairy, fruit, packaging, cocoa and wheat items, an increase in which could erode the Group's gross profit margin. Where possible we enter into supply agreements for certain periods of time depending upon the market. We do not commit to volumes but lengths of agreement which guarantees prices. This way the Group is able to reduce the risk to inflationary pressure.

Economic environment

In common with other restaurant businesses, the Group relies on continuing levels of disposable income within the UK market place and a decline in the UK economy would have an impact on turnover. However, due to the nature of our product and market position as an upmarket patisserie, having this unique position helps to mitigate the economic market place.

Competition

The Group operates in a highly competitive market putting pressure on margin and turnover growth. However, we continuously strive to be positioned between restaurants and coffee shops and having this diversity in our offerings, all day dining, an online channel and bespoke cake facilities ensures we are safeguarded in terms of margins and turnover.



On Behalf of the Board

C Marsh

Director

25th November 2014

DIRECTORS REPORT

The directors present their report and the financial statements of the Group for the year ended 30 September 2014.

Incorporation

The company was incorporated on 27 March 2014. On 9 May 2014 the company acquired, in return for the issue of new equity share capital, the entire issued share capital of Patisserie Acquisition Limited (formerly Patisserie Holdings Limited). This share for share exchange qualifies as a common control transaction and a group reorganisation, and therefore falls outside of the scope of IFRS 3 Business Combinations. Consequently merger accounting has been adopted. Accordingly, the group financial statements present the information as if the group had been in existence for the whole of the current and previous years.

Directors of the company

The present membership of the Board is set out below:

Luke Johnson	Executive Chairman Chairman of the Remuneration Committee	(appointed 27 March 2014)
Paul May	Chief Executive Officer	(appointed 27 March 2014)
Chris Marsh	Finance Director	(appointed 27 March 2014)
Lee Ginsberg	Non-Executive Deputy Chairman Senior Independent Director Chairman of the Audit Committee	(appointed 14 May 2014)
James Horler	Non-Executive Director	(appointed 30 April 2014)

The Directors who held office at 30 September 2014 had the following beneficial interests in the share capital of the Company:

	Number of Ordinary shares
Luke Johnson	42,668,004
Paul May	5,060,000
Chris Marsh	516,052
James Horler	294,116
Lee Ginsberg	<u>58,823</u>

The Directors are restricted from selling the ordinary shares held by them, or any other shares which may accrue to them as a result of their holding of ordinary shares for a period of 12 months from 19th May 2014. Details of directors share options and transactions with directors are provided in the note 6 to the financial statements.

Major Shareholdings

On 30 September 2014 the Company had been notified of the following beneficial interests in 3% or more of its issued share capital:

	Percentage of voting rights and issued share capital	Number of Ordinary shares
Luke Johnson	42.67%	42,668,004
Old Mutual Global Investors	8.12%	8,124,495
BlackRock Investment Management	7.30	7,298,095
Paul May	5.06	5,060,000
Henderson Global Investors	<u>3.05</u>	<u>3,051,843</u>

Dividends

The Group intends to pursue a progressive dividend policy for Shareholders. No dividends were paid in the year. It is currently anticipated that a dividend will be declared by the Directors in respect of the financial year ending 30 September 2015.

Going concern

The directors have a reasonable expectation that the group will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements.

Financial risk management objectives and policies

The Group uses various financial instruments, these include loans, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by overdraft facilities. The risks are managed by overdraft facilities and re-financing arrangements which have extended borrowing terms and allowance of a capital drawdown facility thus reducing exposure.

Interest rate risk

The Group has financed its operations through a mixture of equity, shareholder loans (which are now repaid) and bank borrowings. The Group exposure to interest rate fluctuations on its borrowings is managed by the use of fixed facilities. Business has benefitted from the stable interest rates the UK economy has had for a number of years. If this starts to become more volatile hedging will be considered. In addition, the interest cover in the business is much lower than it used to be as a result of reduced gearing.

Credit risk

The Group's principal financial assets are mainly cash and trade debtors. The credit risk associated with cash is limited, the principal credit risk arises therefore from its trade debtors. Trade debts are monitored closely and the Group does not have a history of impairments.

Disabled employees

The Group's policy on employment of disabled persons is to give full consideration to applications for employment having regard to their particular aptitudes and abilities and to encourage training and career developments and promotion for all employees, including disabled employees.

Employee involvement

The Group is an equal opportunity employer with particular reference to non-discrimination and non-harassment on the basis of ethnic origin, age, gender, religion, sexual orientation or disability. The Group is run in a fully open manner and it strongly encourages its employees to provide their opinions on how the various companies in the Group are run. Regular management meetings are undertaken where all levels of management are fully informed of developments of the Group and have a fully operational role in how the Group functions.

The Group has put in place mechanisms to provide information to employees with particular emphasis on operational and health and safety matters. Regular meetings are held between site General Managers and Head Office Operational Management.

Auditors

Grant Thornton UK LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

On behalf of the Board



C Marsh
Director
25th November 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. The parent Company's own financial statements continue to be prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and profit or loss of the company and 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 applicable IFRSs or UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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 may differ from legislation in other jurisdictions.



On behalf of the Board

C Marsh
Director
25th November 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PATISSERIE HOLDINGS PLC

We have audited the financial statements of Patisserie Holdings Plc for the year ended 30 September 2014 which comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement of cash flows, parent company balance sheet, the parent company reconciliation of movements in shareholders' funds and the related notes. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 11, 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 (APB'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 Financial Reporting Council'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 group's and of the parent company's affairs as at 30 September 2014 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 Directors' Report for the financial year 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Grant Thornton UK LLP

David Newstead
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes
25th November 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDING 30 SEPTEMBER 2014

		Year to 30 September 2014 £'000 Before exceptional items	Year to 30 September 2014 £'000 Exceptional items	Year to 30 September 2014 £'000 Total	Year to 30 September 2013 £'000 Total
	Notes				
Continuing operations					
Revenue	3	76,641	-	76,641	60,112
Cost of sales		(17,363)	-	(17,363)	(13,148)
Gross profit		59,278	-	59,278	46,964
Administrative expenses		(47,149)	(858)	(48,007)	(37,379)
Operating profit		12,129	(858)	11,271	9,585
Finance expense	7	(858)	-	(858)	(1,356)
Profit before income tax	3/4	11,271	(858)	10,413	8,229
Income tax expense	8	(1,512)	-	(1,512)	(1,427)
Profit after tax and total comprehensive income for the year attributable to equity holders		9,759	(858)	8,901	6,802
Earnings per share	10				
Basic earnings per share (pence)		11.41	-	10.41	8.85
Diluted earnings per share (pence)		11.10	-	10.12	8.43

The notes on pages 17 to 36 are an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

30 SEPTEMBER 2014

		30 September 2014 £'000	30 September 2013 £'000
	Notes		
ASSETS			
Non-current assets			
Intangible assets	11	17,897	13,759
Property, plant and equipment	12	28,794	22,073
		<u>46,691</u>	<u>35,832</u>
Current assets			
Trade and other receivables	13	10,552	5,453
Inventories	14	3,927	2,684
Cash and cash equivalents	15	484	130
		<u>14,963</u>	<u>8,267</u>
Total assets		<u>61,654</u>	<u>44,099</u>
EQUITY AND LIABILITIES			
Equity			
Capital and reserves attributable to the equity holders			
Ordinary share capital	20	1,000	1
Share premium		33,661	499
Other reserves		(212)	-
Retained earnings		20,407	11,506
Total equity		<u>54,856</u>	<u>12,006</u>
Non-current liabilities			
Borrowings	17	-	24,530
Deferred tax	18	1,746	988
		<u>1,746</u>	<u>25,518</u>
Current liabilities			
Trade and other payables	16	3,149	4,056
Borrowings	17	1,903	2,254
Corporation tax		-	265
		<u>5,052</u>	<u>6,575</u>
Total liabilities		<u>6,798</u>	<u>32,093</u>
Total equity and liabilities		<u>61,654</u>	<u>44,099</u>

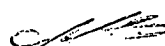
The notes on pages 17 to 36 are an integral part of the consolidated financial statements.

The financial statements were authorised for issue by the board of directors on 25 November 2014 and were signed on its behalf.

P May
Chief Executive Officer



C Marsh
Finance Director



Registered no. 0895601

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING 30 SEPTEMBER 2014

	Share capital	Share premium	Merger reserve	Capital redemption reserve	Share based payment reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 October 2012	1	499	-	-	-	4,704	5,204
Result and total comprehensive income for the year	-	-	-	-	-	6,802	6,802
Transactions with owners	-	-	-	-	-	6,802	6,802
As at 30 September 2013	1	499	-	-	-	11,506	12,006
Result and total comprehensive income for the year	-	-	-	-	-	8,901	8,901
Transactions with owners	-	-	-	-	-	-	-
Increase in share based payments reserve	-	-	-	-	54	-	54
Shares issued under employee share schemes	41	1,959	-	-	-	-	2,000
Reorganisation of share capital	765	(499)	(312)	46	-	-	-
Shares issued on listing on AIM	193	32,560	-	-	-	-	32,753
Cost of issue of equity shares	-	(858)	-	-	-	-	(858)
As at 30 September 2014	1,000	33,661	(312)	46	54	20,407	54,856

The notes on pages 17 to 36 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 30 SEPTEMBER 2014

	Year to 30 September 2014 £'000	Year to 30 September 2013 £'000
	Notes	
Cash flows from operating activities		
Profit before income tax	10,413	8,229
Adjusted by:		
Depreciation	3,195	2,459
Net finance charges in the consolidated statement of comprehensive income	858	1,356
Impairment charge	-	-
Other non-cash charges	58	-
Changes in working capital:		
Inventory	(1,130)	(721)
Trade and other receivables	(2,771)	(1,028)
Trade and other payables	(2,197)	186
Cash generated from operations	8,426	10,481
Interest paid	(858)	(907)
Income tax paid	(3,124)	(2,395)
Net cash generated from operating activities	4,444	7,179
Cash flows from investing activities		
Acquisition of subsidiary undertakings	(3,869)	(1,070)
Purchase of property, plant and equipment	(7,032)	(6,145)
Net cash used in investing activities	(10,901)	(7,215)
Cash flows from financing activities		
Proceeds from borrowings	7,875	1,017
Net proceeds from issue of shares	33,895	-
Repayment of borrowings	(35,608)	(2,022)
Net cash(used in)/generated from financing activities	6,162	(1,005)
Net decrease in cash and cash equivalents	(295)	(1,041)
Cash and cash equivalents at the beginning of the year	(1,124)	(83)
Cash and cash equivalents at the end of the year	15 (1,419)	(1,124)

The notes on pages 17 to 36 are an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 SEPTEMBER 2014

1. General information

Patisserie Holdings plc (the Company) and its subsidiaries (collectively the Group) operate in the casual dining sector offering cakes, pastries, snacks, meals and hot and cold drinks across the UK.

The Company is a public limited company which is listed on the Alternative Investment Market (AIM) of the London Stock Exchange and incorporated and domiciled in England and Wales. The registered office of the Company is 146 - 156 Sarehole Road, Birmingham, B28 8DT.

2. Basis of preparation

The Company was incorporated on 27 March 2014. On 9 May 2014 the Company acquired, in return for the issue of new equity share capital, the entire issued share capital of Patisserie Acquisition Limited (formerly Patisserie Holdings Limited). This share for share exchange qualifies as a common control transaction and therefore falls outside of the scope of IFRS 3 Business Combinations. Consequently an accounting policy has been developed based on the principles of merger accounting. No goodwill has been recorded and the difference between the parent company's cost of investment and the net assets of the group formerly headed by Patisserie Acquisition Limited is presented as a merger reserve within equity on consolidation. Comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented. Accordingly, the consolidated financial statements present the information as if the Group had been in existence for the whole of the current and previous years.

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), and the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention. The consolidated financial information is presented in sterling and has been rounded to the nearest thousand (£'000).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.4.

2.1. Going concern

The group meets its day-to-day working capital requirements through operating cash flows and where required through its bank facilities. In the year the group repaid all external debt and renegotiated its overdraft limit. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate from within its operating cash flows. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.2. Standards, amendments and interpretations to existing standards

At the date of authorisation of the consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective. The Group has not early adopted any of these pronouncements. The new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements in the future are as follows:

Standard/interpretation	Content	Applicable for financial years beginning on/after
IFRS 9	Financial Instruments	1 January 2018
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS15	Revenue from Contracts with Customers	1 January 2017
IAS 16 and IAS 38 (amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
IFRS 10 and IAS 28 (amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016

The effective dates stated above are those given in the original IASB/IFRIC standards and interpretations. As the Group prepares its financial statements in accordance with IFRS as adopted by the European Union (EU), the application of new standards and interpretations will be subject to their having been endorsed for use in the EU via the EU endorsement mechanism.

The Directors do not expect the adoption of these standards and interpretations to have a material impact on the consolidated financial statements in future periods.

2.3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.3.1. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary undertakings. The financial statements of all Group companies are adjusted, where necessary, to ensure the use of consistent accounting policies. Acquisitions are accounted for under the acquisition method from the date control passes to the Group. On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill.

2.3.2. Intangible assets

Goodwill is recognised to the extent that it arises through a business combination and represents the excess of the consideration transferred over the groups interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquired entity.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to appropriate cash generating units (those expected to benefit from the business combination) and is tested annually for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Negative goodwill (bargain purchase) is written back to the consolidated statement of comprehensive income in the period it is incurred.

2.3.3. Revenue

Revenue arises from the sale of goods. It is measured at fair value of the consideration received or receivable, less VAT and trade discounts.

Revenue is recognised when the significant risks and benefits of ownership of the product has been transferred to the buyer at the point of sale, or for wholesale revenue, when goods have been delivered.

2.3.4. Property, plant and equipment

Property, plant and equipment is stated at historical cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight line basis over the deemed useful life of an asset and is applied to the cost less any residual value. The asset classes are depreciated over the following periods:

Freehold land and buildings	-	20 years straight line
Leasehold property improvements	-	Over the life of the lease from the month of acquisition
Plant and equipment	-	15-25% straight line from the month of acquisition
Fixtures and fittings	-	10-20% reducing balance
Motor vehicles	-	25% straight line

As no finite useful life for land can be determined, related carrying amounts are not depreciated. The useful life, the residual value and the depreciation method is assessed annually.

2.3.5. Impairment testing of intangible assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Those intangible assets not yet available for use and goodwill are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions, less costs to sell, and value in use based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

2.3.6. Inventories

Inventory is carried at the lower of cost or net realisable value. The costs of raw materials, consumables, work in progress and finished goods are measured by means of weighted average cost using standard costing techniques. Cost of finished goods comprises direct production costs such as raw materials, consumables, utilities and labour, and production overheads such as employee costs, depreciation, maintenance and indirect factory costs. Standard costs are reviewed regularly in order to ensure relevant measures of utilisation, production lead-time and appropriate levels of manufacturing expense are reflected in the standards.

Net realisable value is calculated based on the revenue from sale in the normal course of business less any costs to sell.

2.3.7. Leased assets

In accordance with IAS 17 Leases, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is initially recognised.

Subsequent accounting for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed to finance costs. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the consolidated statement of comprehensive income over the period of the lease.

All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis. Associated costs, such as maintenance and insurance, are expensed as incurred. Lease incentives received are recognised in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

2.3.8. Taxation

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using current rates, and any adjustments to the tax payable in respect of previous years.

Deferred taxation is provided on all temporary differences between the carrying amount of the assets and liabilities in the financial statements and the tax base. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date, and are expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax is recognised in the consolidated statement of comprehensive income, except where it relates to items recognised directly in equity, in which case it is recognised in equity.

2.3.9. Share based employee compensation

The Group issues equity settled share based payments to certain employees. Equity settled share based payments are measured at fair value at the date of grant and are recognised in the consolidated statement of comprehensive income on a straight-line basis over the vesting period, based on the Groups' estimate of the number of share options which will eventually vest.

Fair value is measured by use of the Black Scholes pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to share capital with any excess being recorded as additional share premium.

2.3.10. Store pre-opening costs

All pre-opening costs are written off as incurred except those which qualify for capitalisation in accordance with IAS 16 – Property, Plant and Equipment.

2.3.11. Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM is the person or group that allocates resources to and assess the performance of the operating segments of an entity. The Group has determined that its CODM is the Board of Directors of the Group.

2.3.12. Financial instruments

Financial instruments are assigned to their different categories by management on initial recognition, depending on the contractual arrangements.

Financial assets

The Group's financial assets fall within the heading of 'Loans and receivables'. Loans and receivables comprise trade and certain other receivables as well as cash and cash equivalents.

Loan and receivables are recognised when the Group becomes a party to the contractual provisions of the instrument and are recognised at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment, based on the receivable ageing, previous experience with the debtor and known market intelligence. Any change in their value is recognised in the consolidated statement of comprehensive income.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial liabilities

The Group's financial liabilities comprise borrowings and trade and other payables.

Financial liabilities are initially recognised at fair value net of issue costs. After initial recognition borrowings are measured at amortised cost using the effective interest method. All interest-related charges are included in the consolidated statement of comprehensive income line item "finance expense". Financial liabilities are derecognised when the obligation to settle the amount is removed.

2.3.13. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments which are not subject to significant changes in value and have original maturities of less than three months.

2.3.14. Equity

Equity comprises the following:

- Share capital: the nominal value of equity shares.
- Share premium: includes any premium received on the sale of shares. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any income tax benefits.
- Retained earnings: retained profits available for distribution.

- **Other reserves:** Includes the nominal value of equity shares cancelled and amount relating to equity settled share based payments
- **Merger reserve:** includes permanent adjustments arising on consolidation.

2.3.15. Employee benefits

The cost of pensions in respect of the Group's defined contribution scheme is charged to profit or loss in the period in which the related employee services were provided.

2.3.16. Exceptional items

Exceptional items are those significant items which are separately disclosed by virtue of their size or nature to enable full understanding of the Group's financial performance. Transactions which may give rise to exceptional items include, but are not limited to, gains or losses on disposal of assets, costs associated with subsidiary acquisitions and costs incurred in relation to listing on AIM.

2.4. Accounting estimates and judgements

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

The estimates and judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below:

Judgements

- ***Group reconstruction***

As explained in Note 2.0, the acquisition of Patisserie Acquisition Limited (formerly Patisserie Holdings Limited) by Patisserie Holdings plc and the formation of the enlarged Group has been accounted for as a common control transaction and a group reorganisation, which falls outside of the scope of IFRS 3 Business Combinations. Merger accounting has been applied and the Group financial statements present information as if the Group had been in existence for the whole of the current and previous years.

Estimations

- ***Useful lives of depreciable assets***

Management reviews the useful lives of depreciable assets at each reporting date. At the reporting date management assesses that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to unforeseen events.

- ***Impairment***

An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

- ***Valuation of share options***

The fair value of share options is determined using the Black-Scholes method. The significant inputs into the model are share price at grant date, exercise price, expected option life, expected volatility and risk free rate. Expected volatility has been determined by reviewing the historical volatility of the share price since the company has traded on AIM and benchmarked against comparable quoted companies. Expected life has been estimated to be the earliest point in time in which options can be exercised based on the expected exercise profile of option holders.

- ***Valuation of intangibles acquired in business combinations***

Intangible assets, namely brand value, acquired in business combinations have been valued internally using royalty relief methods. The value has been estimated using discounted cash flows based on market royalty rates applied to revenue streams of the business acquired. Other key inputs to the cash flows are growth rate which was determined using historic performance and discount rate which was determined using the groups weighted average cost of capital.

3. Segmental information

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker ("CODM") comprising the Board of Directors. The segmental information is split on the basis of those same profit centres, however, management report only the contents of the consolidated statement of comprehensive income and therefore no balance sheet information is provide on a segmental basis in the following tables:

September 2014	Patisserie Valerie	Druckers	Baker & Spice	Flour Power	Philpotts	Overhead	As reported to the CODM	Reconciling items *	Total IFRS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	51,075	12,224	4,230	2,631	6,226	255	76,641	-	76,641
Cost of sales	(9,081)	(3,106)	(1,211)	(221)	(2,290)	(1,454)	(17,363)	-	(17,363)
Gross profit	41,994	9,118	3,019	2,410	3,936	(1,199)	59,278	-	59,278
Administrative expenses	(30,506)	(8,090)	(1,903)	(1,858)	(2,997)	(52)	(45,401)	594	(44,812)
Depreciation and amortisation	(2,501)	(218)	(70)	(94)	(219)	(93)	(3,195)	-	(3,195)
Finance expense	(149)	(30)	-	-	-	(679)	(858)	-	(858)
Profit before income tax	8,838	780	1,046	458	720	(2,023)	9,819	594	10,413
Income tax expense	-	-	-	-	-	(1,512)	(1,512)	-	(1,512)
Profit for the financial year	8,838	780	1,046	458	720	(3,535)	8,307	594	8,901
Non-current assets							46,845	(154)	46,691
Current assets							14,963	-	14,963
Non-current liabilities							(1,636)	(110)	(1,746)
Current liabilities							(5,052)	-	(5,052)
Net assets							55,120	(264)	54,856
Capital expenditure							9,917	-	9,917

*The reconciling items relate to year-end adjustments to goodwill and reclassification for statutory reporting purposes and exceptional items as detailed in note 2.3.16.

Revenue within overheads relates to income received centrally which is not allocated to individual operating segments.

Segmental operating profit excludes costs relating to central services provided by our Operations, IT, Marketing, HR and Finance Team and our Board of Directors

All of the Group's revenue from continuing operations has been generated from UK operations.

The Group does not have any customers whom account for more than 10% of external revenue.

September 2013	Patisserie Valerie	Druckers	Baker & Spice	Flour Power	Overhead	As reported to the COOM	Reconciling Items *	Total IFRS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	42,394	12,342	3,807	1,158	411	60,112	-	60,112
Cost of sales	(7,429)	(3,089)	(1,046)	(263)	(1,321)	(13,148)	-	(13,148)
Gross profit	34,965	9,253	2,761	895	(910)	46,964	-	46,964
Administrative expenses	(25,529)	(8,142)	(1,800)	(696)	1,247	(34,920)	-	(34,920)
Depreciation and amortisation	(1,953)	(292)	(78)	(42)	(888)	(3,253)	794	(2,459)
Finance expense	(175)	(10)	-	(9)	(713)	(907)	(449)	(1,356)
Profit before income tax	7,308	809	883	148	(1,264)	7,884	345	8,229
Income tax expense	-	-	-	-	(1,427)	(1,427)	-	(1,427)
Profit for the financial year	7,308	809	883	148	(2,691)	6,457	345	6,802
Non-current assets						33,280	2,552	35,832
Current assets						8,267	-	8,267
Non-current liabilities						(25,518)	-	(25,518)
Current liabilities						(6,575)	-	(6,575)
Net assets						9,454	2,552	12,006
Capital expenditure						6,559	-	6,559

4. Profit before income tax

	Sept 2014 £'000	Sept 2013 £'000
Profit before taxation has been arrived at after charging:		
Depreciation of owned property, plant and equipment	3,195	2,459
Depreciation of assets held under finance lease	-	-
Impairment of fixed assets	-	-
Employee costs (Note 5)	28,499	22,323
Operating lease rentals		
- Hire of plant and equipment	-	-
- Land and buildings	9,505	7,856
Audit and non-audit services:		
Fees payable to the Company's auditor for the audit of the Group accounts	18	8
Fees payable to the Company's auditor and its associates for other services:		
The audit of the Company's subsidiaries pursuant to legislation	58	37
Tax services – compliance	-	10
Corporate finance services	162	-
Other services	12	10

5. Employee numbers and benefits expense

The average number of employees (including Directors) during the period was made up as follows:

	Sept 2014	Sept 2013
Directors	5	4
Management	67	63
Production	294	198
Sales	1,946	1,644
	<u>2,311</u>	<u>1,909</u>

The cost of employees (including directors) during the period was made up as follows:

	Sept 2014 £'000	Sept 2013 £'000
Wages and salaries	26,788	20,977
Social security costs	1,562	1,339
Share options granted to directors and employees	54	-
Pension costs – defined contribution plans	95	7
	<u>28,499</u>	<u>22,323</u>

The Company had no employees in the current or prior year.

6. Key Management Personnel

The Chief Operating Decision Makers consider that the key management personnel of the Group are the Executive and Non-Executive directors.

	Sept 2014 £'000	Sept 2013 £'000
Directors Remuneration		
Short-term employment benefits	475	375
Share based payments	54	-
Post-employment benefits – defined contribution plans	-	-
	<u>529</u>	<u>375</u>
	Sept 2014 £'000	Sept 2013 £'000
Individual Directors Emoluments		
L Johnson	-	-
P May	253	212
C Marsh	174	157
L Ginsberg	19	-
J Horler	29	6
	<u>475</u>	<u>375</u>

Total amounts payable to the highest paid director were £253k in respect of emoluments and £3,032k in respect of gains on share options.

The Company operates a Long Term Incentive Plan (LTIP) scheme and an Employee Share Option Scheme (ESOS), details of which can be found in note 21. Details of options held under these schemes by Directors who served during the year are as follows:

Share Option Schemes

	At 1 Oct 2013	No of Options Granted	At 30 Sept 2014	Exercise Price (£)	Dates on which exercisable Earliest	Latest
LTIP 27 June 2014 Award (see note 21)						
P May	-	1,000,000	1,000,000	1.70	27 Jun 2017	27 Jun 2019
C Marsh	-	666,666	666,666	1.70	27 Jun 2017	27 Jun 2019

Details of the options exercised under the Enterprise Management Scheme (EMI) during the year are as follows:

Gain on EMI Scheme	Date of Exercise	Number of options exercised (*)	Exercise price per share option £	Effective shares awarded (*)	Market Price on Exercise £	Gain on exercise £'000
P May	12 May 2014	48,481	27.50	2,567,979	1.70	3,032
C Marsh	12 May 2014	24,241	27.50	1,254,016	1.70	1,516

*Each EMI option entitled the option holder to the award of one share in the Company at an exercise price of £27.50 per option. After the EMI options were exercised and prior to the Group being listed on AIM, the shares in Patisserie Holdings plc were subdivided at an effective rate of 52.97.

7. Finance expenses

	Sept 2014 £'000	Sept 2013 £'000
Bank loans and overdrafts	460	907
Other loans	398	449
	<u>858</u>	<u>1,356</u>

8. Income tax expense

	Sept 2014 £'000	Sept 2013 £'000
Current tax:		
UK corporation tax at rates: 2014 – 22.0%, 2013-23.5%	1,126	1,024
Prior period adjustment	(37)	192
	<u>1,089</u>	<u>1,216</u>
Deferred tax: (note 18)		
Origination and reversal of temporary differences	423	211
	<u>1,512</u>	<u>1,427</u>

Factors affecting current tax charge:

The tax assessed on the profit for the period is different to the standard rate of corporation tax in the UK. The differences are explained below:

	Sept 2014 £'000	Sept 2013 £'000
Profit before income tax	<u>10,413</u>	<u>8,229</u>
Profit for the year multiplied by the standard rate of corporation tax	2,291	1,934
Expenses not deductible for tax purposes	(752)	(206)
Differences between capital allowances and depreciation	(44)	-
Adjustment in respect of prior periods	(37)	192
Utilisation of tax losses	-	-
Income not deducted for tax purposes	-	-
		(826)
Origination and reversal of timing differences	(17)	211
Other	71	122
	<u>1,512</u>	<u>1,427</u>

9. Exceptional items

	Sept 2014 £'000	Sept 2013 £'000
Costs Incurred in relation to listing on AIM	593	-
Costs associated with subsidiary acquisitions	265	-
	<u>858</u>	<u>-</u>

10. Earnings per share

	Earnings £'000	2014 Weighted average number of share	Earnings per share (pence)	Earnings £'000	2013 Weighted average number of share	Earnings per share (pence)
Basic earnings per share	8,901	85,505,967	10.41	6,802	76,881,366	8.85
Effect of dilutive share options	-	2,412,879	-	-	3,851,995	-
Diluted earnings per share	8,901	87,918,847	10.12	6,802	80,773,361	8.43

11. Intangible assets

	Goodwill £'000	Brand £'000	Total £'000
Cost			
As at 1 October 2012	13,130	-	13,130
Addition on acquisition of Flour Power	629	-	629
As at 30 September 2013	13,759	-	13,759
Addition on acquisition of Philpotts (note 26)	3,638	500	4,138
As at 30 September 2014	<u>17,397</u>	<u>500</u>	<u>17,897</u>

The Group's goodwill is considered to have an indefinite useful life and is not amortised. The Group tests goodwill annually or, additionally, if there are indications that it may be impaired.

The Group's brand value has an estimated life of 10 years and is amortised over this period. The estimated life is based on the period in which the Group expects to derive net cash inflow from the brand.

For the purposes of Impairment testing the Directors consider each acquired business or operating segment as separate cash generating units (CGUs). The recoverable amount for each CGU was determined using a value in use calculation based upon management forecasts for the trading results for those entities.

As each CGU operates in similar economic circumstances and have common risk, a group discount rate has been calculated based on the weighted average cost of capital of the group and applied to each CGU. The discount rate of 10% was applied. The key assumptions utilised within the forecast models relate to the level of future sales, which have been estimated for a period of 3 years, which is the forecasting period of the group, based upon the Directors expectations, current trading and recent actual trading performance. Cash flow projections have then been extrapolated to perpetuity assuming zero growth. The value in use calculations indicate that the recoverable amount of the CGUs is in excess of the carrying value of the assets allocated to them.

12. Property, plant and equipment

	Freehold land and buildings	Leasehold property improvements	Plant, equipment, fixtures and fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 October 2012	1,798	9,953	24,329	73	36,153
Additions	-	1,018	5,127	-	6,145
Assets acquired at acquisition	-	176	237	-	413
At 30 September 2013	1,798	11,147	29,693	73	42,711
Additions	-	793	6,239	-	7,032
Assets acquired at acquisition	-	1,997	848	40	2,885
At 30 September 2014	1,798	13,937	36,780	113	52,628
Depreciation					
At 1 October 2012	195	3,211	14,707	68	18,180
Charge for the year	17	588	1,850	4	2,459
At 30 September 2013	213	3,799	16,555	72	20,639
Charge for the year	16	746	2,424	9	3,195
At 30 September 2014	229	4,545	18,979	81	23,834
Net book values					
At 30 September 2013	1,587	7,348	13,137	1	22,073
At 30 September 2014	1,569	9,392	17,801	32	28,794

There were no assets held under finance leases during the period.

13. Trade and other receivables

	Sept 2014 £'000	Sept 2013 £'000
Trade receivables	1,135	668
Other receivables	845	340
Corporation tax	1,770	-
Prepayments and accrued income	6,802	4,445
	<u>10,552</u>	<u>5,453</u>

Prepayments and accrued income predominantly relates to prepaid rent and rates.

There is no allowance account for impaired receivables as no counterparty is in default nor have any impairments been identified. As at 30 September 2014 there were £186,000 of receivables past due by up to 30 days (2013: £128,000), £55,000 past due by over 30 days but less than 60 days (2013: £90,000) and £30,000 past due by over 60 days (2013: £18,000). The remaining balances were not past due. There is no material difference between the fair value and the carrying value of these assets. The maximum credit risk exposure at the reporting date equated to the fair value of trade receivables. Standard payment terms are 30 days net. There are no concentrations of credit risk.

14. Inventories

	Sept 2014 £'000	Sept 2013 £'000
Raw materials and consumables	3,248	2,263
Work in progress	370	242
Finished goods	309	179
	<u>3,927</u>	<u>2,684</u>
Cost of inventories recognised as an expense	<u>17,363</u>	<u>13,148</u>

There were no inventory provisions in place in 2014 and 2013 as all inventory is considered to be fast moving and the group does not have a history of inventory impairment.

15. Cash and cash equivalents

Cash balances at the end of each year are as follows:

	Sept 2014 £'000	Sept 2013 £'000
Cash and cash equivalents per balance sheet	484	130
Bank overdrafts	(1,903)	(1,254)
Cash per statement of cash flows	<u>(1,419)</u>	<u>(1,124)</u>

16. Trade and other payables

	Sept 2014 £'000	Sept 2013 £'000
Trade payables	3,056	3,235
Other payables	-	565
Accruals and deferred income	93	109
Invoice discounting	-	147
	<u>3,149</u>	<u>4,056</u>

17. Borrowing

The Group uses bank overdrafts, bank and other loans to finance acquisitions; the following balances remain outstanding as shown:

	Sept 2014 £'000	Sept 2013 £'000
Non-current		
Bank loans	-	14,100
Other loans	-	10,430
	<u>-</u>	<u>24,530</u>
Current		
Bank loans	-	1,000
Overdrafts	1,903	1,254
	<u>1,903</u>	<u>2,254</u>
Bank loans and overdrafts	<u>1,903</u>	<u>2,254</u>

Bank loans and overdrafts are secured by an all asset debenture in favour HSBC Bank Plc. Other loans are secured by an asset debenture in favour of the loan providers.

18. Deferred taxation

	Sept 2014 £'000	Sept 2013 £'000
At 1 October	988	777
On acquisition	335	-
Charge for the year	423	211
	<u>1,746</u>	<u>988</u>
At 30 September	<u>1,746</u>	<u>988</u>
Deferred taxation – accelerated capital allowances	<u>1,746</u>	<u>988</u>

19. Lease commitments

At the end of each period the Group had total minimum commitments under non-cancellable operating lease agreements as set out below:

	Sept 2014 £'000	Sept 2013 £'000
Land and buildings		
Operating leases which expire:		
Within one year	8,607	234
In two to five years	28,539	5,173
In over five years	24,487	51,584
	<u>61,633</u>	<u>56,991</u>

20. Share capital

As at 30 September 2013	Number	£'000
Allotted, called up and fully paid:		
A Ordinary shares of £0.001 each	72,572	-
Ordinary shares of £0.001 each	1,378,875	1
	<u>1,451,447</u>	<u>1</u>
As at 30 September 2014	Number	£'000
Allotted, called up and fully paid:		
Ordinary shares of £0.01 each	100,000,000	1,000
	<u>100,000,000</u>	<u>1,000</u>

	Ordinary	Number Ordinary A	Ordinary B	Ordinary	£'000 Ordinary A	Ordinary B
At 1 October 2012 & 2013	1,378,875	72,572	227,500	1	-	-
Share for share exchange	(1,378,875)	(72,572)	(227,500)	-	-	-
Reorganisation of share capital						
Allotted	1,378,950	72,572	227,500	104,794	5,515	-
Consolidated	(75)	-	-	-	-	-
Cancelled	(4,620,103)	-	(227,500)	(46)	-	-
Reclassified	72,572	(72,572)	-	41	(41)	-
Subdivided	83,829,295	-	-	-	-	-
Capital reduction	-	-	-	(104,024)	(5,474)	-
	<u>80,660,639</u>	<u>-</u>	<u>-</u>	<u>765</u>	<u>-</u>	<u>-</u>
Shares issued under employee scheme	72,722	-	-	41	-	-
Shares issued on listing on AIM	<u>19,266,639</u>	<u>-</u>	<u>-</u>	<u>193</u>	<u>-</u>	<u>-</u>
At 30 September 2014	<u>100,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>

On 27th March 2014, the Company was incorporated with a share capital of 1 Ordinary share of £1 per share. The share capital of the Company was then increased to 1,378,875 Ordinary shares of £76 per share, 72,572 Ordinary A shares of £76 per share and 227,500 Ordinary B shares of £0.001 per share. A share for share exchange then took place with the existing shareholders of Patisserie Acquisitions Limited to create the enlarged Group. The nominal value of the Ordinary and Ordinary A shares was then reduced from £76 per share to £0.56 per share, the Ordinary B shares were cancelled and all of the Ordinary A shares were reclassified as Ordinary shares. 72,722 Ordinary shares of £0.56 per share were allotted on exercise of EMI options which created a share premium of £1,959k. The 1,524,169 Ordinary shares of £0.56 per share were then subdivided into 85,353,464 Ordinary shares of £0.01 each of which 4,620,103 shares were reclassified into deferred shares, bought back by the Company and then cancelled. On listing to the AIM Stock Exchange a further 19,266,639 Ordinary shares of £0.01 were issued which created a share premium of £32,560k.

21. Share based payments

The Group had granted options to certain directors in respect of Ordinary shares of £0.001 under an Enterprise Management Scheme (EMI). The options were exercised during the year.

During the year, options were granted to executive directors and certain employees of the Group under the Company's Long Term Incentive Plan (the "LTIP") and Employee Share Option Scheme (the "ESOS"). The options under the LTIP and the ESOS become exercisable only if Earnings Per Share ("EPS") linked performance criteria and a three year service condition are both met. In normal circumstances, the options can be exercised (subject to performance conditions being met) for a period of 2 years from 27 June 2017.

	Sept 2014		Sept 2013	
	Options	Weighted average exercise price (£)	Options	Weighted average exercise price (£)
Outstanding at the beginning of the period	72,722	27.50	72,722	27.50
Granted during the period	2,024,666	1.75	-	-
Exercised during the period	(72,722)	(27.50)	-	-
Outstanding at year end	2,024,666	1.75	72,722	27.50
Exercisable at year end	-	-	-	-

The options outstanding at 30 September 2014 had a range of exercise prices from £1.70 to £1.99 all with an average contractual life of 3 years.

The total expense for share-based payments charge to the consolidated statement of comprehensive income was:

	Sept 2014 £'000	Sept 2013 £'000
Equity settled schemes	54	-

The fair value of equity settled share options granted during the period was calculated using the following information:

	Sept 2014 Black Scholes
Option pricing model used	Black Scholes
Weighted average share price (pence)	199.5
Exercise price (pence)	170.0
Expected Volatility (%)	20.3%
Option life (days)	1,095
Expected dividend growth rate (%)	1.8%
Risk free interest rate (%)	1.11%

Expected volatility was determined by reviewing the volatility of the Groups share price since being traded on AIM. No other features of the option grant were incorporated when measuring the fair value of the grant.

22. Capital commitments

The Group had the following capital commitments at each period end:

	Sept 2014 £'000	Sept 2013 £'000
Relating to the purchase of assets	200	600

23. Related party transactions

The total transactions involving related parties are as follows:

	Sept 2014 £'000	Sept 2013 £'000
Interest charges on shareholder's loan	398	449

Included within borrowings were the following balances were loans made to the Group by certain shareholders:

	Sept 2014 £'000	Sept 2013 £'000
Other loans	-	10,430

24. Categories of financial instruments

	Sept 2014 £'000	Sept 2013 £'000
Current financial assets		
Loans and receivables	3,750	1,008
Loans and receivables - cash and cash equivalents	484	130
Total financial assets	4,234	1,138
Non-financial assets	6,802	4,445
Total	11,036	5,583
Non-current financial liabilities		
At amortised cost - borrowings	-	24,530
Current financial liabilities		
At amortised cost - borrowings	1,903	2,401
At amortised cost - payables	3,056	3,800
Total current financial liabilities	4,959	6,201
Non-financial liabilities	93	109
Total current liabilities	5,052	6,310

The shareholder loans have now been discharged. These were made available at terms which were more favourable than market terms. The difference between the fair value of these loans discounted at market rates and the values stated above is not considered to be material.

25. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk), credit risk and liquidity risk.

Market risk - Foreign exchange risk

The Directors consider that there is no foreign exchange risk as the Group derives all revenues from the UK. Revenues and costs are transacted in Sterling.

Market risk - Interest rate risk

The Group had significant borrowings in the prior year which were used to finance acquisitions in the form of bank and other loans. These borrowings were settled in the year and the Group now only has a short term overdraft facility. Interest rates are fixed (prior year fixed and floating) and the amounts outstanding at the year ends are as follows:

	Amount £'000	Rate of interest %	Repayment date
2013			
Non-current borrowings			
Bank loans - Facility A (repayable quarterly)	6,550	LIBOR + 2.0%	Discharged
Bank loans - Facility B (repayable at maturity)	7,550	LIBOR + 2.5%	Discharged
Other loans - Shareholders loan (repayable at maturity)	10,430	Fixed 8%	Discharged
Current borrowings			
Overdraft	1,254	LIBOR + 3.5%	On demand
Bank loans – Facility A (repayable quarterly)	1,000	LIBOR + 2.0%	Discharged
2014			
Current borrowings			
Overdraft	1,903	LIBOR + 1.5%	On demand

The impact of sensitivity on the interest rate on the overdraft is not considered to be a material risk to the Group.

The Group's overdraft facility has a cross company guarantee with the other group companies, namely Patisserie Acquisitions Limited, Patisserie Valerie Holdings Limited, Patisserie Valerie Limited, Hewmark Limited, Leonardo Limited, Stonebeach Limited, Patisserie Valerie Express Limited, Spice Bakery Limited, Flour Power City Limited, Philpotts (Holdings) Limited and Philpotts Limited. This guarantees the Patisserie Holdings Plc bank loan and if Patisserie Holdings plc defaults on that loan the companies will be required to make good the default. The Directors believe the financial condition of Patisserie Holdings plc is such that this guarantee will not be called upon.

Market risk - Price risk

The Group is not exposed to either commodity or equity securities price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy. In addition, a significant proportion of revenue results from cash transactions. The aggregate financial exposure is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount of trade receivables. The management do not consider that there is any concentration of risk within either trade or other receivables.

Liquidity risk

The Group currently holds cash balances to provide funding for normal trading activity. The Group also has access to both short term and long term borrowings to finance individual projects. Trade and other payables are monitored as part of normal management routines.

Borrowings and other liabilities mature according to the following schedule:

2014	Within 1 year	One to two years	Two to five years	Over five years
	£'000	£'000	£'000	£'000
Trade payables	3,056	-	-	-
Accruals	93	-	-	-
Borrowings (overdrafts)	1,903	-	-	-

2013	Within 1 year	One to two years	Two to five years	Over five years
	£'000	£'000	£'000	£'000
Trade payables	3,235	-	-	-
Accruals	109	-	-	-
Other payables	565	-	-	-
Borrowings-other loans	-	-	10,430	-
Invoice discounting	147	-	-	-
Borrowings – bank loans	1,000	2,000	12,100	-
Borrowings (overdrafts)	1,254	-	-	-

Capital risk management

The Groups' capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders

by pricing products and services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the consolidated balance sheet.

	Sept 2014 £'000	Sept 2013 £'000
Total equity	54,856	12,006
Cash and cash equivalents	(484)	(130)
Capital	54,372	11,876
Total financing	54,856	12,006
Borrowings	1,903	26,931
Overall financing	56,759	38,937
Capital to overall financing ratio	96%	30%
Target	90%	30%

26. Business combinations

On 28 February 2014 the Group acquired 100 per cent of the outstanding ordinary share capital and obtained control of Philpotts (Holdings) Limited, a sandwich and salad retailer with 23 shops in the UK. As a result of the acquisition, the Group has extended its presence in the casual dining market and also expects to reduce costs through economies of scale.

The acquisition details as at 30 September 2014 are stated below. The reference to provisional values refers to the amounts included within the half yearly results as disclosed in the Admission Document on listing on AIM.

	Mar 14 £'000	Adjustments to provisional values	Sept 14 £'000
<i>Fair value of consideration transferred:</i>			
Total cost of acquisition	6,334	-	6,334
Less acquisition expenses charged to the consolidated statement of comprehensive income	-	(265)	(265)
Less post acquisition obligation	(2,203)		(2,203)
Amounts settled in cash	4,131	(265)	3,866
<i>Recognised amounts of identifiable net assets:</i>			
Intangible asset – brand	-	500	500
Property, plant and equipment	3,074	(189)	2,885
Inventory	113	-	113
Trade receivables	318	-	318
Prepayments	125	-	125
Other assets	115	-	115
Liabilities	(1,515)	(110)	(1,625)
Bank Loans	(2,203)	-	(2,203)
Identifiable net assets	27	201	228
Goodwill on acquisition	4,104	(466)	3,638

In addition to the amount settled in cash of £3,866k, the Group was required to repay the bank loan of £2,203k as a post completion obligation.

The adjustment to property, plant and equipment primarily relates to the revaluation of a property in Darlington.

The goodwill arising of £3.6m from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the Group and Philpotts. None of the goodwill recognised is expected to be deductible for income tax purposes.

A brand value has been recognised to reflect the value of customer relationships and the trading name. This has been valued using a royalty free model across a ten year period. No other intangibles, such as customer contracts, were identified. The value of the identified intangible in respect of the Philpotts brand has been determined to be £500k. A deferred tax liability of £110k has been recognised in respect of the identified intangible asset. The value attributed to the brand will be amortised over a period of ten years.

The revenue included in the consolidated statement of comprehensive income since 28 February 2014 contributed by Philpotts Limited was £6.3m. Philpotts also contributed profit of £0.5m over the same period. Had Philpotts been consolidated from 1 October 2013, the consolidated statement of comprehensive income would have shown revenue of £80.6m and profit of £9.1m.


COMPANY BALANCE SHEET
FOR THE YEAR ENDING 30 SEPTEMBER 2014

			30 September 2014 £'000
	Notes	£'000	£'000
Fixed Assets			
Investment	C		<u>143,787</u>
Current assets			
Debtors	D	10,724	
Cash and cash equivalents		<u>-</u>	
		10,724	
Creditors: amounts falling due within one year	E		<u>(10,900)</u>
Net current liabilities			<u>(176)</u>
Total assets less current liabilities			<u>143,611</u>
Capital and reserves			
Called up share capital	F		1,000
Share premium account	F		33,661
Profit and loss reserve	F		108,850
Other reserves	F		<u>100</u>
Shareholders' funds			<u>143,611</u>

The notes on pages 38 to 39 are an integral part of the parent company financial statements.

The financial statements were authorised for issue by the board of directors on 25 November 2014 and were signed on its behalf.


Chief Executive


Finance Director

Registered no. 08963601

COMPANY RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDING 30 SEPTEMBER 2014

	30 September 2014 £'000
Opening Balance	-
Shares issued	144,204
Loss for the year	(647)
Dividends paid	-
Increase in share-based payment reserve	<u>54</u>
Closing balance	<u>143,611</u>

NOTES TO THE COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 SEPTEMBER 2014

A. Significant accounting policies

Basis of preparation

The Company was incorporated during the year. The separate financial statements of the Company are presented as required by the Companies Act 2006 and have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and law. The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

Investments

Fixed asset investments in subsidiaries and associates are shown at cost less provision for impairment.

B. Profit for the year

As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account for the year. The Company reported a loss for the financial year of £647k. The auditors' remuneration for audit and other services is disclosed in note 4 to the consolidated financial statements. Auditors' remuneration for audit of the Company are borne by a subsidiary entity. Auditors' remuneration for other services of £126k were recognised in the year (2013: £nil).

C. Fixed Assets Investments

At 30 September 2014 the Company had the following subsidiaries undertakings, all of which are incorporated in England and Wales:

Company	Class of share capital held	Holding		Nature of Business
		Direct %	Indirect %	
Patisserie Acquisitions Limited (formerly Patisserie Holdings Limited)	Ordinary, A Ordinary and B Shares	100		Intermediate holding company
Patisserie Valerie Holdings Limited	Ordinary	-	100	Intermediate holding company
Philpotts (Holdings) Limited	Ordinary	-	100	Intermediate holding company
Flour Power City Limited	Ordinary	-	100	Trading
Philpotts Limited	Ordinary	-	100	Trading
Stonebeach Limited	Ordinary	-	100	Trading
Hewmark Limited	Ordinary	-	100	Dormant
Patisserie Valerie Express Limited	Ordinary	-	100	Dormant
Leonardo Limited	Ordinary	-	100	Dormant
Patisserie Valerie Limited	Ordinary	-	100	Dormant
Spice Bakery Limited	Ordinary	-	100	Non-trading

D. Debtors: due within one year

Sept 2014
£'000

Amounts due by subsidiary undertakings

10,724

E. Creditors: due within one year

Sept 2014
£'000

Amounts due to subsidiary undertakings

10,900

F. Movement in shareholder's funds

	Share Capital	Share premium	Profit and loss account	Share based payments reserve	Other reserves	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 October 2013	-	-	-	-	-	-
Increase in share based payments reserve	-	-	-	54	-	54
Shares issues under employee share schemes	41	1,959	-	-	-	2,000
New shares issued	110,309	-	-	-	-	110,309
Reorganisation of share capital	(109,543)	-	109,497	-	46	-
Shares issued on listing on AIM	193	32,560	-	-	-	32,753
Cost of issue of equity shares	-	(858)	-	-	-	(858)
Loss for the period	-	-	(647)	-	-	(647)
At 30 September 2014	<u>1,000</u>	<u>33,661</u>	<u>108,850</u>	<u>54</u>	<u>46</u>	<u>143,611</u>