
GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017



GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

COMPANY INFORMATION

Directors	V Lord S J Walker
Registered number	09696503
Registered office	4th Floor Ridgefield House John Dalton Street Manchester M2 6JR
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB
Bankers	HSBC Bank Plc 2-4 St Ann's Square Manchester M2 7HD
Solicitors	DLA Piper UK LLP 1 St Peter's Square Manchester M2 3DE

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

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GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2017

The directors present their report and the financial statements for the year ended 31 July 2017.

Principal activity

The principal activity of the company is that of operating licensed restaurants.

The company commenced trading on 7 December 2016.

Directors

The directors who served during the year were:

V Lord
S J Walker

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017**

Disclosure of information to auditor

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

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

Auditor

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 April 2018 and signed on its behalf.



V Lord
Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GINO D'ACAMPO WORLDWIDE
RESTAURANTS LIMITED**

Opinion

We have audited the financial statements of Gino D'Acampo Worldwide Restaurants Limited for the year ended 31 July 2017, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GINO D'ACAMPO WORLDWIDE
RESTAURANTS LIMITED (CONTINUED)**

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GINO D'ACAMPO WORLDWIDE
RESTAURANTS LIMITED (CONTINUED)**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GINO D'ACAMPO WORLDWIDE
RESTAURANTS LIMITED (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.

Grant Thornton UK LLP

Carl Williams (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Senior Statutory Auditor
Manchester

30 April 2018

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2017**

	Note	2017 £	2016 £
Turnover - continuing operations	4	3,984,117	-
Cost of sales		(1,130,170)	-
Gross profit		2,853,947	-
Administrative expenses		(3,486,113)	-
Operating loss	5	(632,166)	-
Interest payable and expenses	8	(364,838)	-
Loss before tax		(997,004)	-
Tax on loss	9	-	-
Loss for the financial year		(997,004)	-

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 10 to 24 form part of these financial statements.

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED
REGISTERED NUMBER:09696503

BALANCE SHEET
AS AT 31 JULY 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	10	138,451	-
Tangible assets	11	7,280,979	-
		<u>7,419,430</u>	<u>-</u>
Current assets			
Stocks	12	186,445	-
Debtors: amounts falling due after more than one year	13	100,000	-
Debtors: amounts falling due within one year	13	1,148,573	1
Cash at bank and in hand	14	1,148,988	-
		<u>2,584,006</u>	<u>1</u>
Creditors: amounts falling due within one year	15	(3,046,347)	-
Net current (liabilities)/assets		<u>(462,341)</u>	<u>1</u>
Total assets less current liabilities		<u>6,957,089</u>	<u>1</u>
Creditors: amounts falling due after more than one year	16	(7,953,993)	-
Net (liabilities)/assets		<u><u>(996,904)</u></u>	<u><u>1</u></u>
Capital and reserves			
Called up share capital	20	100	1
Profit and loss account	21	(997,004)	-
		<u><u>(996,904)</u></u>	<u><u>1</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 April 2018.


V Lord
 Director

The notes on pages 10 to 24 form part of these financial statements.

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2015	1	-	1
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 1 August 2016	1	-	1
Comprehensive income for the year			
Loss for the year	-	(997,004)	(997,004)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(997,004)	(997,004)
Shares issued during the year	99	-	99
Total transactions with owners	99	-	99
At 31 July 2017	100	(997,004)	(996,904)

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

1. General information

Gino D'Acampo Worldwide Restaurants Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Ridgefield House 4th Floor, John Dalton Street, Manchester, M2 6JR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The financial statements are presented in sterling (£).

The following principal accounting policies have been applied:

2.2 Cash flow

The financial statements do not include a Cash flow statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard 102.

2.3 Going concern

The Directors consider that the financial statements should be considered on the going concern basis as they believe that the Company is capable of meeting its liabilities as they fall due.

Although the company made a loss in the year and has net liabilities, the Directors have looked at the forecasts of the company, and coupled with the financing already in place to enable further expansion of the business are satisfied that the company has sufficient funds to meet its liabilities as they fall due.

It is the opinion of the Directors that forecasted results will be achieved and that the company will continue to attract customers to its restaurants. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.4 Intangible assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Franchise fees	-	10	years
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2.5 Revenue

Turnover which is stated net of VAT, relates to services provided at restaurants and bars and occurs entirely within the United Kingdom.

Turnover which relates to income received from customers who eat and drink in the restaurants is recognised on the day the event occurs. Turnover received in advance (deposits) is held as a liability on the balance sheet until the customer eats or drinks in the restaurants.

2.6 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	10%
Office equipment	-	25%
Building improvements	-	5%

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.7 Stocks

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

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

2.8 Debtors

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

2.9 Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.10 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

2.11 Creditors

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

2.12 Finance costs

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.13 Operating leases: the company as lessee

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

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

2.14 Borrowing costs

All other borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.15 Taxation

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

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

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

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

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

2.16 Pre-opening costs

Pre-opening costs are recognised in advance of the opening of restaurants and include expenditure incurred up to statement of financial position date and are charged to the profit and loss account.

2.17 Loyalty scheme

As Club Individual points are issued to customers the retail fair value of those points expected to be redeemed is deferred. When the points are used by customers they are recorded as revenue.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

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

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following judgements have had the most significant effect upon amounts recognised in the financial statements:

Impairment of tangible fixed assets

At the end of the reporting period, management undertake an assessment of the net book values of tangible fixed assets, based upon their knowledge of the performance of sites and the condition of the tangible assets. Where necessary, an impairment is recognised in the profit or loss account.

The actual recoverable amount may differ from the assessment of net book value.

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is assessed based on the class of asset. The useful economic life is assessed at the end of the reporting period, in conjunction with the impairment review, to determine whether the estimates are still appropriate.

4. Turnover

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

	2017 £	2016 £
Food and drink sales	3,984,117	-

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	153,474	-
Amortisation of intangible assets, including goodwill	3,549	-
Other operating lease rentals	234,181	-
Pre-opening costs	921,966	-

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

6. Auditor's remuneration

	2017 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	15,500

7. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages & salaries	1,421,926	-
National insurance contributions	123,446	-
Pension costs	-	-
	<u>1,545,372</u>	<u>-</u>

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

	2017 No.	2016 No.
Restaurant staff	126	-
Admin	1	-
	<u>127</u>	<u>0</u>

Included within the total employee cost above is £478,344 (Wages & salaries of £445,926 and National Insurance contributions of £32,417) relating to employees solely working for Gino D'Acampo Worldwide Restaurants Limited but contracted through a related party company. This cost represents on average 59 employees who are included in the total staff numbers.

The Directors are not remunerated through this company.

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

8. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	168,844	-
Other loan interest payable	168,082	-
Amortisation of refinancing fees	27,912	-
	<u>364,838</u>	<u>-</u>

9. Taxation

	2017 £	2016 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - the same as) the standard rate of corporation tax in the UK of 19.75% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	<u>(997,004)</u>	<u>-</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.75% (2016 - 20%)	<u>(196,908)</u>	<u>-</u>
Effects of:		
Expenses not deductible for tax purposes	18,362	-
Capital allowances for year in excess of depreciation	(22,146)	-
Deferred tax not recognised	200,692	-
Total tax charge for the year	<u>-</u>	<u>-</u>

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

9. Taxation (continued)

Factors that may affect future tax charges

The company has tax losses carried forward of £1,016,162 to be used against future taxable profits. A deferred tax asset has not been recognised against these losses.

During the year the UK corporation tax rate was decreased. There will be a further reduction in the main rate of corporation tax following the Budget 2016 announcements, where the rate will fall to 17% in 2020.

10. Intangible assets

	Franchise fee £
Cost	
Additions	142,000
At 31 July 2017	142,000
Amortisation	
Charge for the year	3,549
At 31 July 2017	3,549
Net book value	
At 31 July 2017	138,451
At 31 July 2016	-

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

11. Tangible fixed assets

	Building improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost				
Additions	5,086,329	2,252,790	95,334	7,434,453
At 31 July 2017	5,086,329	2,252,790	95,334	7,434,453
Depreciation				
Charge for the year	76,469	70,027	6,978	153,474
At 31 July 2017	76,469	70,027	6,978	153,474
Net book value				
At 31 July 2017	5,009,860	2,182,763	88,356	7,280,979

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £
Furniture, fittings and equipment	53,940

There was no depreciation charge during the year on the assets held under finance leases due to the date they were acquired.

12. Stocks

	2017 £	2016 £
Restaurant and bar stocks	186,445	-

Stock recognised in cost of sales during the year as an expense was £1,236,541 (2016 - £nil).

An impairment loss of £nil (2016 - £nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

13. Debtors

	2017 £	2016 £
Due after more than one year		
Prepayments and accrued income	<u>100,000</u>	<u>-</u>
	2017 £	2016 £
Due within one year		
Trade debtors	254	-
Amounts owed by related parties	215,289	-
Other debtors	242,013	1
Prepayments and accrued income	691,017	-
	<u>1,148,573</u>	<u>1</u>

An impairment loss of £nil (2016: £nil) was recognised against trade debtors.

14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>1,148,988</u>	<u>-</u>

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,175,476	-
Amounts owed to related parties	1,098,092	-
Social security & other taxes	33,995	-
Obligations under finance lease and hire purchase contracts	11,126	-
Accruals and deferred income	727,658	-
	<u>3,046,347</u>	<u>-</u>

GINO D'ACAMPO WORLDWIDE RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

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

	2017 £	2016 £
Bank loans	5,916,265	-
Shareholder loans	2,000,000	-
Net obligations under finance leases and hire purchase contracts	37,728	-
	<u>7,953,993</u>	<u>-</u>

Secured loans

The bank loan is secured by a fixed and floating charge over all of the company's assets. Interest is payable at a rate of 3.75% above LIBOR and the loan is repayable after 3 years from November 2016.

Unsecured loans

Included within the Shareholder loans is a loan of £1,000,000 owed to T Dhaliwal and £1,000,000 owed to M Walker. The loans accrued interest at 10% and a charge of £168,082 (2016: £Nil) was charged to the Statement of Comprehensive Income.

17. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due 2-5 years		
Bank loans	5,916,265	-
Other loans	2,000,000	-
	<u>7,916,265</u>	<u>-</u>

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18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	11,126	-
Between 1-2 years	11,126	-
Between 2-5 years	26,602	-
	<u>48,854</u>	<u>-</u>

The hire purchase and finance lease liabilities are secured on the assets to which they relate.

19. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	<u>1,364,531</u>	<u>-</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(10,917,491)</u>	<u>-</u>

Financial assets measured at amortised cost comprise of all current debtors (other than prepayments) and cash and cash equivalent balances.

Financial liabilities measured at amortised cost comprise of all current and non-current liabilities (other than tax liabilities and finance lease liabilities).

20. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	-	1
10,000 Ordinary shares of £0.01 each	<u>100</u>	<u>-</u>
	<u>100</u>	<u>1</u>

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20. Share capital (continued)

During the year the ordinary share of £1 was divided into 100 shares of £0.01p. On 31 August 2015 a further 9,900 shares were issued at £0.01p.

21. Reserves

Profit and loss account

Includes all current losses.

22. Capital commitments

The company had capital commitments as at 31 July 2017 of £172,875 (2016: £Nil) in relation to purchases for fittings to the restaurants.

23. Commitments under operating leases

At 31 July 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Land and buildings		
Not later than 1 year	682,900	-
Later than 1 year and not later than 5 years	2,731,600	-
Later than 5 years	10,231,854	-
	<u>13,646,354</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Related party transactions

Included within the debtors and creditors notes are balances due from/(to) related parties. The companies are related through common ownership. The balances as at 31 July 2017 are as follows:

	2017 £	2016 £
Amounts due from/(to) related parties		
Restaurant Bar & Grill Limited	(1,096,243)	-
Retail Restaurants Limited	60,813	-
My Pasta Bar Limited	49,139	-
Ald Pic Limited	(1,849)	-
Casual Restaurants Limited	105,338	-
	<u>(882,802)</u>	<u>-</u>

Transactions with related parties during the year was as follows:

Purchases from Restaurant Bar & Grill Limited total £3,376,158, including fixed assets of £2,552,184. Purchases from Retail Restaurants Limited totalled £60,813. Purchases from My Pasta Bar Limited totalled £49,139. Purchases from Ald Pic Limited totalled £1,849. Purchases from Casual Restaurants Limited totalled £105,338.

Included within long term creditors is £2,000,000 in respect of loan notes. The loan notes are loans from T Dhaliwal and M Walker of £1,000,000 each. The loan notes accrue interest at 10% and a charge of £168,082 (2016: £Nil) was charged to the Statement of Comprehensive Income during the year.

25. Controlling party

There is no controlling party.