

Registered number: 10192357

CHRISTOPHER TOPCO LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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CHRISTOPHER TOPCO LIMITED

COMPANY INFORMATION

| | |
|----------------------------|---|
| Directors | J R Friis T McCormac M Derry J Pickworth J Ash |
| Registered number | 10192357 |
| Registered office | 15 London Road Alderley Edge United Kingdom SK9 7JT |
| Independent auditor | Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS |
| Bankers | Natwest Bank 1 Princes Street London EC2R 8BP |
| Solicitors | Pinsent Masons LLP 3 Colmore Circus Birmingham B4 6BH |

CHRISTOPHER TOPCO LIMITED

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CHRISTOPHER TOPCO LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Business review and future developments

The company's trading in the year to 31 March 2021 was severely disrupted by the COVID-19 pandemic, which involved several periods of national and local lockdown and restrictions on operations. When open, trading was generally buoyant. During the year, one new site opened, The Botanist, Lincoln, which traded well and above expectations.

Since the year end, the Group has opened further sites in Plymouth (The Club House) and Sheffield (The Furnace), taking the business to 31 sites. The pipeline to the end of 2021 and beyond remains very strong with many opportunities opening up following the pandemic. The group expects to continue opening sites at a rate of between 5 and 8 per year.

COVID-19

In March 2020, the UK was placed in a national lockdown which required all sites to cease trading for a period of time; following a period of local restrictions, further national lockdowns followed in November 2020 and January 2021. This placed considerable and unforeseen pressure on the group's liquidity. During the year, we have communicated and negotiated with our shareholders, debt providers, trade creditors, landlords and other creditors to ensure their support and to ensure our continued ability to trade and operate as a going concern. This includes a renegotiation of our bank financing and further shareholder support in December 2020. We have also benefitted from government stimulus programmes, including the Job Retention Scheme, the reduction in VAT on food and non-alcoholic beverages, the suspension of business rates and business support grants.

Since the business was allowed to resume trade from April 2021, it has traded somewhat ahead of expectations for the restart. Whilst this is promising, the risk remains that further trading restrictions could be introduced which would impact business performance.

Responsibilities under s172 of the Companies Act 2006

The Board of directors of Christopher TopCo Limited consider, both individually and collectively, that they have acted in ways that they believe in good faith to be most likely to promote the success of the Company for the benefit of all of its stakeholders in the decisions they made during the year ended 31 March 2021, having regard to the consequences of decisions in the long term.

We recognise our colleagues as our most important asset and aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and wellbeing of our colleagues are of the highest importance and ensuring these is one of our primary considerations in the way we do business.

Caring for our customers is fundamental to the success of our business and we endeavour to serve them to the very best of our ability. We are committed to ensuring that all the food and drink we sell is of high quality and great value, as well as being safe to eat, and that our locations provide a vibrant, welcoming and safe environment. We use real-time customer feedback tools to monitor and react to our guests' experiences.

We also aim to act responsibly and fairly in our engagement with suppliers, landlords, regulators, bankers, insurers and loan note holders. We aim to pay all suppliers in accordance with their agreed terms and have worked very closely with all creditors during the COVID-19 pandemic.

The group takes seriously its responsibilities towards the communities it serves, and to the environment, supporting a range of charitable initiatives locally and nationally. Details of how the group and its subsidiaries have approached their environmental responsibilities can be found in the disclosure relating to Streamline Energy and Carbon Reporting in the Directors' Report.

CHRISTOPHER TOPCO LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

As the Board of Directors, our intention is always to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour, is fundamental to our continuing ability to achieve profitable growth for the benefit of all our stakeholders in the future.

Principal risks and uncertainties

The Group uses various financial instruments including bank loans, loan notes, cash and other 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 main risks arising from the Group's financial instruments are summarised below.

Financial risk

The Group uses a number of financial instruments, including share capital, investor loans and bank loans to finance for the Group's operation and expansion.

Market risk

Market risk encompasses two types of risk, being currency risk and fair value interest rate risk. The Group's policies for managing fair value interest rate are considered along with those managing cash flow interest rate risk and are set out in the subsection "interest rate risk" below.

Interest rate risk

The Group finances its operations through a combination of retained profits and loans from the bank and investors. The directors have previously sought to minimise the company's exposure to interest rate risk by entering into a four year interest rate swap, which expired in February 2021, covering approximately 50% of then total senior debt facilities. The directors continue to review the need for further instruments to protect against interest rate risk

Liquidity risk

The Group seeks to manage liquidity risk by careful planning of cash flows to ensure there is sufficient headroom in cash balances and arranging bank loans to support the future growth of the Group.

Other risks

Management monitor other risks and uncertainties from within the business, including competition, restaurant performance and the current economic conditions. The Group has assessed the particular risks associated with the UK's exit from the EU, disruption to the supply chain and a potential shortage of staff, and management believes it has the appropriate measures in place, or ready to adapt, to minimise this risk.

Financial key performance indicators

The Group uses a number of key performance indicators when assessing and driving performance. The key financial performance indicators are comparison against budget and prior year performance, gross margin, wages as a proportion of sales and EBITDA per restaurant.

CHRISTOPHER TOPCO LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

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



J Pickworth

Director

Date: 30/9/2021

CHRISTOPHER TOPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Results and dividends

The profit for the year, after taxation, amounted to £17,431,045 (2020 - loss £37,493,411).

The directors do not recommend the payment of a dividend in the current and previous year (2020: £Nil).

Directors

The directors who served during the year were:

J R Friis (appointed 29 April 2020)
C Hill (resigned 21 April 2020)
T McCormac
M Derry
J Pickworth
J Ash

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

The Directors welcome the requirement under Section 172 and Sch. 7.11B(1) of the Companies Act 2006. Comments on how the Directors have had regard for the interests of various stakeholders whilst making key decisions are contained in the Strategic Report.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group 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 Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CHRISTOPHER TOPCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Engagement with employees

Communication with staff is accorded a high priority and employees are kept informed of the Group's performance and activities through regular briefings and updates. They are also given the opportunity to communicate their ideas to all levels of management.

The Group is committed to ensuring genuine equality of opportunity for all employees regardless of age, sex, colour, race, religion, ethnic origin or disability. All our recruitment, training and development policies reflect this commitment.

Going concern

The financial statements have been prepared on a going concern basis.

Notwithstanding the loss for the year, the net current liabilities and the net liabilities position, and the loss of trading during the financial year as a result of the COVID-19 pandemic, the directors have reviewed the group's forecasts, projections and liquidity. Since the beginning of the subsequent financial year, trading has re-started and restrictions lifted. The performance of the business has been strong, and should this continue the the group is forecast to build up cash reserves.

The company is funded by a combination of bank loans, shareholder loans and cash from operations. As disclosed in the directors' report, the banking facilities and the shareholder loans were refinanced in December 2020, providing an injection of new capital. The government stimulus package, including a temporary reduction in the rate of VAT on food and non-alcoholic drinks, the suspension of business rates and the availability of grants to support re-opening have also provided headroom during this period. Cash from operations since re-opening in April 2021 has been somewhat ahead of forecasts, and the directors now have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group continues therefore to adopt the going concern basis in preparing its financial statements.

CHRISTOPHER TOPCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Streamlined Energy and Carbon Reporting (SECR) report

This report details the Group's Greenhouse Gas (GHG) emissions and energy use for the period 1 April 2020 to 31 March 2021.

Methodology used

The Group has collated data relating to its scope one and scope two emissions and energy use for activities over which it has financial control. All of the Group's Emissions and Energy Use relates to UK activities, there are no overseas activities. The largest element of the emissions generated by the group are electricity and gas usage by its estate of managed sites.

The table below summarises emissions and energy use for FY2020-21 and FY2019-2020.

| | Year to 31 March 2021 | Year to 31 March 2020 |
|---|------------------------------|------------------------------|
| Scope 1 emissions tCO ₂ e | 780.6 | 1,682.2 |
| Scope 2 emissions tCO ₂ e | 816.1 | 2,139.9 |
| Total scope 1 & 2 emissions tCO ₂ e | 1596.7 | 3,822.1 |
| Energy Consumption used to calculate the above emissions: kWh | 7,712,389 | 16,475,604 |
| Intensity Ratio: tCO ₂ e/turnover £m | 69.3 | 69.3 |

The majority of NWTC emissions are from electricity & gas usage by the estate of managed houses. The largest single element is electricity usage which will predominantly be for kitchen equipment, mechanical ventilation, heating & cooling, hot water and lighting. Gas usage will be predominantly due to catering, although some sites do use gas for heating and hot water.

There has clearly been a very large reduction in emissions, but this is primarily due to long periods of closure or reduced trading due to Covid-19. The intensity ratio has increased, this again is mainly due to Covid-19 as buildings will have been fully operational for periods of reduced trade and even when the businesses were shut, there will have been a small amount of unavoidable consumption.

Emissions and energy efficiency actions

The group has been working with Hospitality Energy Saving since 2018 to identify and deliver electricity and gas cost savings. Energy consumption analysis is carried out to identify areas of greatest opportunity and report on performance. Targeted site visits are carried out where needed to ensure building controls and systems are set correctly and frontline teams understand which systems and equipment to use and when. This is supported by further activities including development of guides to help staff manage equipment pro-actively and expert advice to unlock the full savings potential of specific items of equipment.

Post balance sheet events

There have been no significant events after the balance sheet date.

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 each director is aware, there is no relevant audit information of which the Company and the Group'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 Company and the Group's auditor is aware of that information.

CHRISTOPHER TOPCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Auditor

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

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



J Pickworth

Director

Date: 30/9/2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTOPHER TOPCO LIMITED

Opinion

We have audited the financial statements of Christopher Topco Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's profit 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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macroeconomic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTOPHER TOPCO LIMITED
(CONTINUED)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

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

Opinions on other matters prescribed by the Companies Act 2006

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTOPHER TOPCO LIMITED (CONTINUED)

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTOPHER TOPCO LIMITED
(CONTINUED)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company, and the industry in which it operates. We determined the Companies Act 2006 to be the most significant laws and regulations of the entity. We enquired of management whether they had any knowledge of actual, suspected fraud. We corroborated the results of our enquiries to supporting documentation such as board minute reviews. From the procedures performed we did not identify any matters relating to non-compliance with laws and regulation or matters in relation to fraud.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - evaluation of the processes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - identifying and testing related party transactions.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client operates in and understanding of, and practical experience through training participation with audit engagements of a similar nature.
- In assessing the potential risks of material misstatement, we obtained an understanding of;
 - the company's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement and;
 - the company's control environment including the adequacy of procedures for authorization of transactions.



Grant Thornton

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTOPHER TOPCO LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Carl Williams FCCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool
Date: 30/9/2021

CHRISTOPHER TOPCO LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

| | Note | 2021 £ | 2020 £ |
|--|------|-----------------------|-------------------------|
| Turnover | 4 | 17,106,449 | 55,324,286 |
| Cost of sales | | (3,828,275) | (13,333,900) |
| Gross profit | | 13,278,174 | 41,990,386 |
| Administrative expenses | | (32,776,569) | (45,583,881) |
| Exceptional administrative expenses | 13 | 22,850,062 | (497,915) |
| Other operating income | 5 | 13,700,358 | 97,529 |
| Operating profit/(loss) | 6 | 17,052,025 | (3,993,881) |
| Impairment charge | 10 | - | (27,841,829) |
| Interest payable and expenses | 11 | (473,346) | (5,450,331) |
| Profit/(loss) before taxation | | 16,578,679 | (37,286,041) |
| Tax on loss on ordinary activities | 12 | 852,366 | (207,370) |
| Profit/(loss) for the financial year | | 17,431,045 | (37,493,411) |
| Movement in fair value of hedging instrument | | 49,743 | (81,521) |
| Other comprehensive income for the year | | 49,743 | (81,521) |
| Total comprehensive income for the year | | 17,480,788 | (37,574,932) |

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

The notes on pages 23 to 44 form part of these financial statements.

All activities of the group are classed as continuing.

CHRISTOPHER TOPCO LIMITED
REGISTERED NUMBER:10192357

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|------|---------------------------|----------------------------|
| Fixed assets | | | |
| Intangible assets | 14 | 9,472,302 | 9,971,115 |
| Tangible assets | 15 | 24,378,404 | 27,272,145 |
| | | <u>33,850,706</u> | <u>37,243,260</u> |
| Current assets | | | |
| Stocks | 17 | 433,766 | 415,160 |
| Debtors: amounts falling due within one year | 18 | 2,358,778 | 3,372,207 |
| Cash at bank and in hand | 19 | 80,888 | 410 |
| | | <u>2,873,432</u> | <u>3,787,777</u> |
| Creditors: amounts falling due within one year | 20 | (8,527,097) | (10,026,665) |
| Net current liabilities | | (5,653,665) | (6,238,888) |
| Total assets less current liabilities | | <u>28,197,041</u> | <u>31,004,372</u> |
| Creditors: amounts falling due after more than one year | 21 | (35,569,289) | (81,066,381) |
| Provisions for liabilities | | | |
| Deferred taxation | 24 | (10,096) | (852,366) |
| | | <u>(10,096)</u> | <u>(852,366)</u> |
| Net liabilities | | <u><u>(7,382,344)</u></u> | <u><u>(50,914,375)</u></u> |

CHRISTOPHER TOPCO LIMITED
REGISTERED NUMBER: 10192357

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|------------------------------|------|--------------------|---------------------|
| Capital and reserves | | | |
| Called up share capital | 25 | 1,478 | 1,378 |
| Share premium account | 26 | 164,575 | 164,575 |
| Cash flow hedging reserve | 26 | - | (39,647) |
| Other reserves | 26 | 26,061,239 | - |
| Profit and loss account | 26 | (33,609,636) | (51,040,681) |
| Shareholders' deficit | | <u>(7,382,344)</u> | <u>(50,914,375)</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J Pickworth

Director

Date: 30/9/2021

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED
REGISTERED NUMBER:10192357

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Investments | 16 | 1 | 1 |
| | | <u>1</u> | <u>1</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 18 | 395,212 | 395,212 |
| | | <u>395,212</u> | <u>395,212</u> |
| Creditors: amounts falling due within one year | 20 | (6) | (6) |
| | | <u>395,206</u> | <u>395,206</u> |
| Net current assets | | | |
| | | <u>395,207</u> | <u>395,207</u> |
| Total assets less current liabilities | | | |
| | | <u>395,207</u> | <u>395,207</u> |
| Creditors: amounts falling due after more than one year | 21 | - | (316,627) |
| | | <u>395,207</u> | <u>78,580</u> |
| Net assets | | | |
| | | <u>395,207</u> | <u>78,580</u> |
| Capital and reserves | | | |
| Called up share capital | 25 | 1,468 | 1,368 |
| Share premium account | 26 | 164,575 | 164,575 |
| Other reserves | 26 | 229,163 | - |
| Profit and loss account | 26 | 1 | (87,363) |
| | | <u>395,207</u> | <u>78,580</u> |
| Shareholders' funds | | | |
| | | <u>395,207</u> | <u>78,580</u> |

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The company's profit for the period was £87,364 (2020: loss £22,856)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J Pickworth
 Director
 Date: 30/9/2021

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED
REGISTERED NUMBER:10192357

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

| | Called up share capital £ | Share premium account £ | Cash flow hedging reserve £ | Other reserves £ | Profit and loss account £ |
|--|------------------------------------|----------------------------------|--------------------------------------|------------------------|------------------------------------|
| At 1 April 2020 | 1,378 | 164,575 | (39,647) | - | (51,040,681) |
| Comprehensive income for the year | | | | | |
| Profit for the year | - | - | - | - | 17,431,045 |
| Change in fair value of hedging instrument | - | - | 49,743 | - | - |
| Deferred tax in relation to hedging instrument | - | - | (10,096) | - | - |
| Total comprehensive income for the year | - | - | 39,647 | - | 17,431,045 |
| Shares issued during the year | 100 | - | - | - | - |
| Transaction with owners | - | - | - | 26,061,239 | - |
| At 31 March 2021 | 1,478 | 164,575 | - | 26,061,239 | (33,609,636) |

Total equity
£

| | |
|--|--------------------|
| At 1 April 2020 | (50,914,375) |
| Comprehensive income for the year | |
| Profit for the year | 17,431,045 |
| Change in fair value of hedging instrument | 49,743 |
| Deferred tax in relation to hedging instrument | (10,096) |
| Total comprehensive income for the year | 17,470,692 |
| Shares issued during the year | 100 |
| Transaction with owners | 26,061,239 |
| At 31 March 2021 | (7,382,344) |

CHRISTOPHER TOPCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

| | Called up share capital | Share premium account | Cash flow hedging reserve | Profit and loss account | Total equity |
|--|-------------------------------|-----------------------------|---------------------------------|-------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| At 1 April 2019 | 1,378 | 164,575 | 26,375 | (13,547,270) | (13,354,942) |
| Comprehensive income for the year | | | | | |
| Loss for the year | - | - | - | (37,493,411) | (37,493,411) |
| Change in fair value of hedging instrument | - | - | (81,521) | - | (81,521) |
| Deferred tax in relation to hedging instrument | - | - | 15,499 | - | 15,499 |
| Total comprehensive income for the year | - | - | (66,022) | (37,493,411) | (37,559,433) |
| At 31 March 2020 | 1,378 | 164,575 | (39,647) | (51,040,681) | (50,914,375) |

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

| | Called up share capital £ | Share premium account £ | Other reserve £ | Profit and loss account £ | Total equity £ |
|--|------------------------------------|----------------------------------|-----------------------|------------------------------------|-------------------|
| At 1 April 2020 | 1,368 | 164,575 | - | (87,363) | 78,580 |
| Comprehensive income for the year | | | | | |
| Profit for the year | - | - | - | 87,364 | 87,364 |
| Total comprehensive income for the year | - | - | - | 87,364 | 87,364 |
| Shares issued during the year | 100 | - | - | - | 100 |
| Transactions with owners | - | - | 229,163 | - | 229,163 |
| At 31 March 2021 | 1,468 | 164,575 | 229,163 | 1 | 395,207 |

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

| | Called up share capital £ | Share premium account £ | Profit and loss account £ | Total equity £ |
|--|------------------------------------|----------------------------------|------------------------------------|-------------------|
| At 1 April 2019 | 1,368 | 164,575 | (64,507) | 101,436 |
| Comprehensive income for the year | | | | |
| Loss for the year | - | - | (22,856) | (22,856) |
| Total comprehensive income for the year | - | - | (22,856) | (22,856) |
| At 31 March 2020 | 1,368 | 164,575 | (87,363) | 78,580 |

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

| | 2021 £ | 2020 £ |
|---|---------------------|--------------------|
| Cash flows from operating activities | | |
| Profit/(loss) for the financial year | 17,431,045 | (37,493,411) |
| Adjustments for: | | |
| Amortisation of intangible assets | 498,813 | 1,550,149 |
| Depreciation of tangible assets | 3,444,384 | 3,189,909 |
| Impairments of fixed assets | - | 27,841,829 |
| Government grants | (13,700,358) | (97,529) |
| Interest paid | 473,346 | 5,450,331 |
| Taxation charge | (852,366) | 207,370 |
| (Increase)/decrease in stocks | (18,606) | 128,488 |
| Decrease/(increase) in debtors | 1,013,429 | (1,193,830) |
| (Decrease) in creditors | (1,696,619) | (7,131,899) |
| Corporation tax (paid) | - | (2,230) |
| Loans and interest waived | (23,256,916) | - |
| Net cash generated from operating activities | (16,663,848) | (7,550,823) |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (550,643) | (4,387,593) |
| Government grants received | 13,700,358 | 97,529 |
| Net cash from investing activities | 13,149,715 | (4,290,064) |

CHRISTOPHER TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

| | 2021 £ | 2020 £ |
|---|------------------|-------------------|
| Cash flows from financing activities | | |
| Issue of ordinary shares | 100 | - |
| New secured loans | - | 16,750,468 |
| Other new loans | 3,870,804 | - |
| Repayment of other loans | - | (250,000) |
| Interest paid | (473,346) | (5,450,331) |
| Net cash used in financing activities | 3,397,558 | 11,050,137 |
| Net (decrease) in cash and cash equivalents | (116,575) | (790,750) |
| Cash and cash equivalents at beginning of year | (25,815) | 764,935 |
| Cash and cash equivalents at the end of year | (142,390) | (25,815) |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 80,888 | 410 |
| Bank overdrafts | (223,278) | (26,225) |
| | (142,390) | (25,815) |

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021**

| | At 1 April 2020 £ | Cash flows £ | Other non- cash changes £ | At 31 March 2021 £ |
|--------------------------|-------------------------|--------------------|------------------------------------|--------------------------|
| Cash at bank and in hand | 410 | 80,478 | - | 80,888 |
| Bank overdrafts | (25,665) | (197,763) | - | (223,428) |
| Debt due after 1 year | (81,066,381) | (3,870,804) | 49,367,895 | (35,569,290) |
| Debt due within 1 year | - | - | - | - |
| | <u>(81,091,636)</u> | <u>(3,988,089)</u> | <u>49,367,895</u> | <u>(35,711,830)</u> |

The notes on pages 23 to 44 form part of these financial statements.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Christopher Topco Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at 15 London Road, Alderley Edge, United Kingdom, SK9 7JT.

The principal activity of the company is that of a holding company. The group's principal activity during the year was the operation of bars and restaurants.

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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**2.3 Going concern**

The financial statements have been prepared on a going concern basis.

Notwithstanding the loss for the year, the net current liabilities and the net liabilities position, and the loss of trading during the financial year as a result of the COVID-19 pandemic, the directors have reviewed the group's forecasts, projections and liquidity. Since the beginning of the subsequent financial year, trading has re-started and restrictions lifted. The performance of the business has been strong, and should this continue the group is forecast to build up cash reserves.

The company is funded by a combination of bank loans, shareholder loans and cash from operations. As disclosed in the directors' report, the banking facilities and the shareholder loans were refinanced in December 2020, providing an injection of new capital. The government stimulus package, including a temporary reduction in the rate of VAT on food and non-alcoholic drinks, the suspension of business rates and the availability of grants to support re-opening have also provided headroom during this period. Cash from operations since re-opening in April 2021 has been somewhat ahead of forecasts, and the directors now have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group continues therefore to adopt the going concern basis in preparing its financial statements.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and turnover can be readily measured. Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added tax. Turnover relates to revenue earned from the sale of goods.

Sale of goods

Turnover relates to income received from customers who eat and drink in the bars and restaurants, it is recognised on the day the event occurs. Customer deposits received in advance are held as a liability on the statement of financial position until the customer eats or drinks in the bars and restaurants. Function deposits and gift vouchers are recognised as turnover when the function occurs or the voucher is tendered.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life, which is considered to be 25 years.

Trademarks

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.

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:

| | | |
|------------|---|----------|
| Trademarks | - | 10 years |
|------------|---|----------|

2.6 Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

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.

The rates applicable are:

| | | |
|---|---|---------------|
| Long term leasehold property improvements | - | Over 25 years |
| Fixtures and fittings | - | Over 10 years |
| Computer equipment | - | Over 4 years |

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

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

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price. Cost is based on the cost of purchase on a first in, first out basis, after making due allowance for obsolete stock.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**2.8 Pensions****Defined contribution pension plan**

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

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated statement of financial position. The assets of the plan are held separately to the Group in independently administered funds.

2.9 Impairment of fixed assets and goodwill

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

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 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.

2.12 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.13 Financial instruments

The Group 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 and loans to related parties.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**2.13 Financial instruments (continued)**

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Consolidated 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 Group would receive for the asset if it were to be sold at the reporting date.

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The group currently applies hedge accounting for interest rate derivatives.

2.14 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.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**2.15 Hedge accounting**

The Group uses variable to fixed interest rate swaps to manage its exposure to cash flow risk on its borrowings. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

2.16 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.17 Finance costs

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

2.18 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on straight line basis over the period of the lease, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense equal to amounts owed to lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

2.19 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.20 Current and deferred taxation

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;

2.21 Pre-opening costs

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

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.22 Exceptional items

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

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

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Financial instruments

All derivatives are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Adjustments are also made when valuing financial liabilities measured at fair value to reflect the Group's own credit risk. Where the market for a financial instrument is not active, fair value is established using a valuation technique. The Group has applied hedge accounting in the year. Valuation techniques involve a degree of estimation, the extent to which depends on the instrument's complexity and the availability of market-based data.

Tangible fixed assets

Depreciation charged on tangible fixed assets in respect of useful economic lives is estimated by management. Annually each site is assessed for any indicators of impairment.

Intangible fixed assets

Amortisation charged on intangible fixed assets in respect of useful economic lives is estimated by management. Additionally when assessing annually whether goodwill has any indicators of impairment FRS102 (27.25) requires goodwill acquired in a business combination to be allocated to each of the cash generating units. Management have not viewed individual sites at the point of acquisition as separate cash generating units. The rationale behind this is that the strategy behind the business combination was a roll-out of the brands. Management have chose to identify the cash generating units for the purposes of goodwill allocation as being these sites open at the point of acquisition.

Amortised debt costs

Amortisation of debt issue costs, management are releasing the debt issue costs over the period of the loan note term to the consolidated Statement of Comprehensive Income.

4. Turnover

| | 2021 £ | 2020 £ |
|--------------------------|------------|------------|
| Restaurant and bar sales | 17,106,449 | 55,324,286 |

All turnover arose within the United Kingdom.

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Government grants income

| | 2021 £ | 2020 £ |
|--------------------------|------------|-----------|
| Government grants income | 13,700,358 | 97,529 |

Government grant income relates to furlough income under the Coronavirus job retention scheme.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

| | 2021 £ | 2020 £ |
|---------------------------------------|-----------|-----------|
| Pre-opening costs | 222,068 | 1,407,899 |
| Depreciation of tangible fixed assets | 3,444,384 | 3,189,909 |
| Other operating lease rentals | 2,278,067 | 4,147,308 |
| Amortisation of intangible assets | 498,813 | 1,550,149 |

7. Auditor's remuneration

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements | 40,000 | 38,000 |

Fees payable to the Group's auditor and its associates in respect of:

| | | |
|---|--------|--------|
| Fees payable to the Group's auditor for the tax compliance services | 8,000 | 6,500 |
| Fees payable to the Group's auditor for preparation of the financial statements | 5,750 | 6,250 |
| Fees payable to the Group's auditor for tax advisory services | 4,604 | 21,063 |
| | 18,354 | 33,813 |

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Employees

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

| | Group 2021 £ | <i>Group 2020 £</i> | Company 2021 £ | <i>Company 2020 £</i> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 20,116,075 | 19,489,041 | - | - |
| Social security costs | 1,562,494 | 1,626,914 | - | - |
| Cost of defined contribution scheme | 273,027 | 297,043 | - | - |
| | <u>21,951,596</u> | <u>21,412,998</u> | <u>-</u> | <u>-</u> |

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

| | 2021 No. | <i>2020 No.</i> |
|-------------------------------|---------------------|---------------------|
| Restaurant and bar staff | 1,051 | 1,096 |
| Management and administration | 192 | 201 |
| | <u>1,243</u> | <u>1,297</u> |

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £Nil).

9. Directors' remuneration

| | 2021 £ | <i>2020 £</i> |
|-----------------------|-------------------|-------------------|
| Directors' emoluments | 414,407 | 652,022 |
| Pension costs | 1,860 | 4,092 |
| | <u>416,267</u> | <u>656,114</u> |

The highest paid director received remuneration of £158,226 (2020: £221,289).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,313 (2020: £1,316).

The total payable to key management personnel in the year was £578,277 (2020: £756,922).

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**10. Impairment charge**

| | 2021 £ | 2020 £ |
|--|-----------|-------------------|
| Impairment charge against goodwill | - | 25,832,076 |
| Impairment charge against fixed assets | - | 2,009,753 |
| | <u>-</u> | <u>27,841,829</u> |

At each reporting date the value of goodwill is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. An impairment loss of £Nil (2020: £25,832,076) has been recognised in the year where the directors believe the carrying value of goodwill does not exceed the recoverable future cashflows relating to such goodwill.

An Impairment loss of £Nil (2020: £2,009,753) has been recognised in the year in respect of a small number of sites in New World Trading Company (UK) Limited. For these purposes, an individual trading location is considered to be an income-generating unit. Where the future earnings from an income-generating unit are not expected to recover the carrying value of the unit's combined assets, an impairment loss has been recognised.

11. Interest payable and similar expenses

| | 2021 £ | 2020 £ |
|----------------------------------|----------------|------------------|
| Bank interest payable | 310,128 | 1,401,891 |
| Loan note interest payable | 122,544 | 3,884,271 |
| Amortisation of debt issue costs | - | 164,169 |
| Other interest payable | 40,674 | - |
| | <u>473,346</u> | <u>5,450,331</u> |

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Taxation

| | 2021 £ | 2020 £ |
|---|------------------|----------------|
| Total current tax | - | - |
| Deferred tax | | |
| Origination and reversal of timing differences | (852,367) | 134,069 |
| Adjustments in respect of prior year | 1 | (3,940) |
| Effect of tax rate change on opening balance | - | 77,241 |
| Total deferred tax | (852,366) | 207,370 |
| Taxation on (loss)/profit on ordinary activities | (852,366) | 207,370 |

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

| | 2021 £ | 2020 £ |
|---|-------------------|----------------|
| Profit/(loss) on ordinary activities before tax | 16,578,679 | (37,286,041) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%) | 3,149,949 | (7,084,348) |
| Effects of: | | |
| Income not taxable for tax purposes | (4,582,588) | - |
| Fixed asset differences | 183,089 | 596,592 |
| Expenses not deductible for tax purposes | 130,835 | 6,585,518 |
| Adjust closing deferred tax to average rate | - | 79,357 |
| Adjust opening deferred tax to average rate | - | (6,055) |
| Deferred tax not recognised | 276,447 | - |
| Other permanent differences | - | 20,807 |
| Deferred tax (charged)/credited directly to STRGL | (10,098) | 15,499 |
| Total tax charge for the year | (852,366) | 207,370 |

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Exceptional administrative expenses

| | 2021 | 2020 |
|---|----------------------------|----------------|
| | £ | £ |
| Extinguishment of debt and interest | (23,830,596) | 84,282 |
| Reorganisation costs | 1,415,552 | 117,438 |
| Supplier negotiations net of legal fees | (465,626) | - |
| Coronavirus related costs | 30,608 | 296,195 |
| | <u>(22,850,062)</u> | <u>497,915</u> |

In the current year, exceptional expenses relate to reorganisation costs and costs related to Coronavirus. There is a credit to exceptional expenses in relation to the extinguishment of debt and interest and in relation to supplier negotiations net of legal fees.

In the prior year, exceptional expenses relate to impairment charges against goodwill and fixed assets, reorganisation costs and costs related to Coronavirus.

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Intangible assets

Group

| | Trademarks £ | Consolidated Goodwill £ | Total £ |
|-------------------------------------|-----------------|-------------------------------|------------|
| Cost | | | |
| At 1 April 2020 | 1,627 | 41,628,545 | 41,630,172 |
| At 31 March 2021 | 1,627 | 41,628,545 | 41,630,172 |
| Amortisation | | | |
| At 1 April 2020 | 1,087 | 31,657,970 | 31,659,057 |
| Charge for the year on owned assets | 284 | 498,529 | 498,813 |
| At 31 March 2021 | 1,371 | 32,156,499 | 32,157,870 |
| Net book value | | | |
| At 31 March 2021 | 256 | 9,472,046 | 9,472,302 |
| At 31 March 2020 | 540 | 9,970,575 | 9,971,115 |

Amortisation of intangible fixed assets is included in administration expenses.

At each reporting date the value of goodwill is reviewed to determine whether there is any indicator that those assets have suffered an impairment loss. An impairment loss of £Nil (2020 - £25,832,076) has been recognised in the year where the directors believe the carrying value of goodwill does not exceed the recoverable future cashflows relating to such goodwill.

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Tangible fixed assets

Group

| | Long-term leasehold property £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|---|-------------------------------|----------------------------|-------------------|
| Cost or valuation | | | | |
| At 1 April 2020 | 13,194,853 | 23,808,624 | 1,410,840 | 38,414,317 |
| Additions | - | 527,151 | 23,492 | 550,643 |
| At 31 March 2021 | <u>13,194,853</u> | <u>24,335,775</u> | <u>1,434,332</u> | <u>38,964,960</u> |
| Depreciation | | | | |
| At 1 April 2020 | 1,725,020 | 8,562,582 | 854,570 | 11,142,172 |
| Charge for the year on owned assets | 616,568 | 2,571,421 | 256,395 | 3,444,384 |
| At 31 March 2021 | <u>2,341,588</u> | <u>11,134,003</u> | <u>1,110,965</u> | <u>14,586,556</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>10,853,265</u> | <u>13,201,772</u> | <u>323,367</u> | <u>24,378,404</u> |
| At 31 March 2020 | <u>11,469,833</u> | <u>15,246,042</u> | <u>556,270</u> | <u>27,272,145</u> |

An impairment loss of £Nil (2020: £2,009,753) has been recognised in the year in respect of a small number of sites. For these purposes, an individual trading location is considered to be an income-generating unit. Where the future earnings from an income-generating unit are not expected to recover the carrying value of the units's combined assets, an impairment loss has been recognised.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Fixed asset investments**Company**

**Investments
in
subsidiary
companies
£**

Cost or valuation

At 1 April 2020

1

At 31 March 2021

1**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

| Name | Registered office | Class of shares | Holding |
|---|--|------------------------|----------------|
| Christopher Midco 1 Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| Christopher Midco 2 Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| Christopher Bidco Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| New World Trading Company (UK) Holdings Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| New World Trading Company (UK) Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| The Oast House Manchester Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| New World Pub Company (Leeds) Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| Magnolia Bell Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |
| Liverpool Lodge Limited | 15 London Road, Alderley Edge, United Kingdom, SK9 7JT | Ordinary | 100% |

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Stocks

| | Group 2021 £ | Group 2020 £ |
|---------------------------|-----------------------------|-----------------------------|
| Restaurant and bar stocks | 433,766 | 415,160 |

An impairment loss of £Nil (2020: £117,000) was recognised in cost of sales against stock during the year due to obsolete stock, specifically as a result of the sites closure due to Covid-19.

18. Debtors

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors | 638,635 | 1,202,458 | - | - |
| Amounts owed by group undertakings | - | - | 395,212 | 395,212 |
| Other debtors | 1,003 | 10,396 | - | - |
| Prepayments and accrued income | 500,104 | 2,061,825 | - | - |
| Furlough income debtor | 1,219,036 | 97,528 | - | - |
| | 2,358,778 | 3,372,207 | 395,212 | 395,212 |

19. Cash and cash equivalents

| | Group 2021 £ | Group 2020 £ |
|--------------------------|-----------------------------|-----------------------------|
| Cash at bank and in hand | 80,888 | 410 |
| Less: bank overdrafts | (223,278) | (26,225) |
| | (142,390) | (25,815) |

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. Creditors: Amounts falling due within one year

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank overdrafts | 223,278 | 26,225 | - | - |
| Trade creditors | 2,359,661 | 5,357,690 | - | - |
| Other taxation and social security | 939,204 | 1,826,566 | - | - |
| Other creditors | 2,509,246 | 1,065,135 | - | - |
| Accruals and deferred income | 2,495,708 | 1,701,305 | 6 | 6 |
| Financial instruments | - | 49,744 | - | - |
| | 8,527,097 | 10,026,665 | 6 | 6 |

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

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 16,035,730 | 27,100,000 | - | - |
| Loan notes | 19,533,559 | 53,966,381 | - | 316,627 |
| | 35,569,289 | 81,066,381 | - | 316,627 |

The loan notes are secured by way of a charge over all assets of the Group. The bank loan is secured by way of a fixed and floating charge over all current and future assets of the Group.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. Loans

Analysis of the maturity of loans is given below.

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Amounts falling due between 2 - 5 years | | | | |
| Bank loans | 16,035,730 | 27,100,000 | - | - |
| Loan notes | 19,533,559 | 53,966,381 | - | 316,624 |
| | 35,569,289 | 81,066,381 | - | 316,624 |

Included in bank loans are loan facilities granted by Royal Bank of Scotland. The facilities are for a total of £18,060,000 (2020: £27,100,000).

Borrowings totalling £16,035,730 were outstanding under this facility at 31 March 2021 (2020: £27,100,000). The loan is secured by way of a fixed and floating charge over all current and future assets of the group and are repayable over varying periods of time. Interest is payable at varying rates depending on the facility.

The group has entered in to an interest rate swap as set out in note 23.

On 8 June 2016 the group received funding from private equity funds managed by Graphite Capital Partners VIII A LP, Graphite Capital Partners VIII B LP, Graphite Capital Partners VIII C LP, Graphite Capital Partners VIII D LP and Graphite Capital Co-investments VIII LP. Further funding of £3,870,804 was provided on 11th December 2020. At the period end, loans totalling £17,512,428 (2020: £10,391,802, £98,013, £348,343 and £36,932,076) are due in more than one year respectively.

On 11 December 2020, the group received further funding from Royal Bank of Scotland in the form of loan notes. At the period end, loans totalling £2,021,131 are due in more than one year (2020: £nil).

At 31 March 2021, loan note interested totalling £122,544 (2020: £Nil) for the Group and £Nil for the Company is included within accruals due after more than one year and will be paid upon maturity of the loan notes.

The loan notes are secured by way of a charge over all assets of the group.

In December 2020 the Group in which this company is 100% owned entered into a re financing agreement with their existing lender which reduced the number of investor loan notes from £39,580,419 to 13,519,080.

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Financial instruments

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Financial assets | | | | |
| Derivative financial instruments measured at fair value through profit or loss | - | (49,743) | - | - |

Derivative financial assets/liabilities measured at fair value through profit or loss held as part of a trading portfolio comprise an interest rate swap.

The Group had entered into an interest rate swap agreement whereby it pays a fixed rate of interest of 0.6375% per annum in respect of amounts drawn down under the facilities. The floating rate on the interest swap is based on floating LIBOR. The interest rate swap expired on 28th February 2021.

CHRISTOPHER TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. Deferred taxation

Group

| | 2021 £ |
|---------------------------------------|-----------------|
| At beginning of year | (852,366) |
| Charged to profit or loss | 852,366 |
| Charged to other comprehensive income | (10,096) |
| At end of year | (10,096) |

| | Group 2021 £ | Group 2020 £ |
|--------------------------------|--------------------|--------------------|
| Accelerated capital allowances | - | (1,140,299) |
| Short term timing differences | - | 5,714 |
| Capital gains | - | (417,551) |
| Losses and other deductions | (10,096) | 699,770 |
| | (10,096) | (852,366) |

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

25. Share capital

| | 2021 £ | 2020 £ |
|---|--------------------------|--------------------------|
| Allotted, called up and fully paid | | |
| 74,464 (2020 - 64,478) A1 Ordinary shares of £0.01 each | 745 | 645 |
| 10,049 (2020 - 10,035) A2 Ordinary shares of £0.01 each | 100 | 100 |
| 487 (2020 - 487) B Ordinary shares of £0.01 each | 5 | 5 |
| 9,750 (2020 - 9,750) C1 Ordinary shares of £0.01 each | 98 | 98 |
| 9,500 (2020 - 9,500) C2 Ordinary shares of £0.05 each | 475 | 475 |
| 1,500 (2020 - 1,500) D1 Ordinary shares of £0.01 each | 15 | 15 |
| 3,011 (2020 - 3,011) D2 Ordinary shares of £0.01 each | 30 | 30 |
| 1,000 (2020 - 1,000) D3 Ordinary shares of £0.01 each | 10 | 10 |
| | <hr/> 1,478 <hr/> | <hr/> 1,378 <hr/> |

26. Reserves

Called up share capital - represents the nominal value of the share that have been issued in the current and previous year.

Share premium - excess paid over the nominal value of all shareholdings.

Cashflow hedging reserve - includes the hedging profits and losses for the current and previous year.

Profit and loss account - accumulated losses from the current current and previous year.

Other reserves - reserve arising from transactions with shareholders, waiving loans and interest.

27. Contingent liabilities

A composite cross guarantee structure exists between Christopher Midco 2 Limited, Christopher Bidco Limited, New World Trading Company (UK) Holdings Limited, New World Trading Company (UK) Limited, Liverpool Lodge Limited, The Oast House Manchester Limited, Magnolia Bell Limited and New World Pub Company (Leeds) Limited. The aggregate amount outstanding under this agreement at 31 March 2021 was £16,000,000 (2020: £27,100,000).

28. Capital commitments

The directors have confirmed there were no capital commitments in respect of the group or the company at 31 March 2021 or 31 March 2020.

CHRISTOPHER TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

29. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £245,710 (2020: £295,092). Contributions totalling £70,281 (2020: £36,854) were payable to the fund at the reporting date and is included within other creditors.

30. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the reporting date.

31. Related party transactions

The group has taken advantage of the exemption in FRS 102 (section 33) "Related Party Disclosure" and has not disclosed transactions with group undertakings where the company is a 100% subsidiary.

32. Controlling party

The majority of the equity shares are held by Graphite Capital Partners VIII, a series of linked limited liability partnerships, none of which individually hold a controlling interest. Consequently the Directors do not believe there to be a controlling party.