

BEDS & BARS GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

BEDS & BARS GROUP LIMITED

COMPANY INFORMATION

Directors	Mr K C Knowles Mr L C Knowles Mr M C Roberts Mr A D Searle
Registered number	10661826
Registered office	Overlord House 1D Colet Gardens Hammersmith London England W14 9DH
Independent auditors	Elman Wall Limited Chartered Accountants & Statutory Auditor 36 Old Jewry London EC2R 8DD

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**GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 27 MARCH 2021**

Introduction

The directors present the strategic report for the year ended 27 March 2021.

Fair review of the business

The impact of Covid 19 on the UK and European hospitality sector is well publicised and is ongoing. We entered the last quarter of the year to 3/2020 in our strongest position for many years. The Covid lockdowns took place just before the start of the 2021 financial year and restrictions continued in one form or another throughout the year and in all our UK and European units. We immediately took action to reduce our cost base across all expenditure lines recognising that we had to cut our cash outgoings in order to survive until business recovered.

We took advantage of the Government Furlough schemes and their equivalents in each of our core Cities of London, Edinburgh, Paris, Amsterdam, Berlin, Barcelona and Bruges. The various deferrals and forgiveness of business rates and taxes have been important in reducing our cash outflows.

We are grateful to our sole UK bankers HSBC for granting significant lines of credit including a CLBILS Government backed loan which whilst subject to strict conditions has given us a lifeline to continue to trade with the expectation that we could recover our Hostel and F&B revenues once our territories returned to some form of normality.

Our Landlords have been supportive, recognising that they are stakeholders, like us, in the hospitality sector and we place on record our thanks for the pragmatism they have shown,

Our suppliers also extended terms and have been supportive over the various lockdown and Government imposed closures across the group.

Our staff and colleagues have been magnificent and we pay tribute to their flexibility and unfailing commitment during what has been a difficult time for everyone.

We were disappointed that our insurers refused our claim for business interruption cover and whilst we entered into a class action to overturn their decision, this was lost on appeal.

As we write this strategy review, business returned rapidly from July 2021, with pent up demand returning both accommodation and F&B to near 2019 levels. However there are substantial headwinds in our sector, with Covid 19 still high across Europe and renewed restrictions being put in place in The Netherlands and Belgium. We cannot discount further restrictions being imposed. in the meantime we continue to ensure that our staff are safe and our units well invested to trade as allowed by restrictions.

We are confident that our business model remains relevant and desirable to our customer base, offering a pan-European experience based on our cornerstones of Safe, Secure, Value and Fun.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

Business risk

The Beds & Bars group has operated in the hospitality industry for 59 years.

The Covid 19 pandemic forced us to close or curtail our business in all our units throughout the year ended March 2021.

Thus our major business risk is outside of our control, as we depend upon European Governments to manage the Covid 19 pandemic and allow our units to trade. We have recovered trade to over 90% of pre-covid levels but new variants of Covid 19 are concerning.

The major risk within our control is liquidity risk. The group used all levers to curtail the outflow of funds and increase our credit lines whilst maintaining our capacity to retain key personnel and systems within the group.

We have continued with our training programmes and are proud of our IIP Platinum award.

As an established player and with the strength of its branded presence and focus on the guest experience Beds and Bars is well placed to protect its unique market position.

Financial risk

Beds and Bars has funded the development of its business through retained profits and bank facilities. The bank loans have variable interest rates which track a mixture of Bank base rates, LIBOR and Euribor. Thus any increases in those Base rates will increase the cost of finance and therefore impact the net profit of the company. The group regularly reviews both its interest hedging and currency risk. Our relationship with HSBC as our sole UK banker remains excellent and our bankers are regularly updated with our performance and plans

The Group has the benefit of a number of prime freehold properties

The Group is exposed to short term cancellation of bookings. In mitigation management ensure that a non refundable deposit is taken at the time of booking and encourages full payment in advance through, amongst other things, the fixing of exchange rates.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

Health and Safety

Health and Safety is at the core of our business. The Health and Safety Strategy (H&S Strategy) supports the strategic and operational management of the group and looks to go beyond the traditional role of preventing harm. The H&S Strategy commits the group to continually improve the health and safety environment for its staff and customers. The H&S Strategy is not just about achieving compliance, but will assist in realising:

- Efficient, proactive and pragmatic ways of keeping all our staff, customers, sub contractors and visitors safe.
- A robust health and safety culture across the group.
- Effective means of protecting stakeholders, including staff, customers and visitors from harm. The H&S Strategy describes in broad terms what our approach to health and safety is and what we intend to do which is closely monitored and tested unit by unit and updated on a regular basis.

Data Protection

The Directors believe that they have robust data protection procedures in place. However this is an ever more complex area and the Group continually reviews and upgrades its defences against attack. In addition to its in house team the Directors engage external consultants to ensure that the group is fully compliant with relevant legislation.

The Group continues to evaluate its data security policies and procedures in accordance with GDPR regulations.

Key performance indicators

The board use a number of indicators to track the performance of the company (KPIs). These include, amongst others: weekly turnover, no of beds sold per division, accommodation, food and beverage gross margins, revenues by booking channel, EBITDA performance by site and customer review data. The KPIs are reviewed on a weekly and monthly basis and compared to budget and prior years' performance.

This report was approved by the board on 23 December 2021 and signed on its behalf.

Mr K C Knowles
Director

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 27 MARCH 2021**

The directors present their report and the financial statements for the period ended 27 March 2021.

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.

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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the period, after taxation and minority interests, amounted to £10,090,700 (2020 - loss £603,650).

The results for period are set out on pages 11 to 12.

The directors did not recommend a dividend during the year.

Directors

The directors who served during the period were:

Mr K C Knowles
Mr L C Knowles
Mr M C Roberts
Mr A D Searle

Political contributions

The Group made £3,000 (2020: £23,000) to political donations during the year.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

Employee involvement

The Beds & Bars Group has continued to invest in people at all levels in the organisation, as we see this as a key factor in maintaining and improving performance in all aspects of the business. The emphasis on internal development through our award winning footsteps training programme, as well as encouraging employees to take an active role in their career, has helped to ensure ongoing employee engagement and retention. It has also helped to ensure that the majority of our new managers are promoted from within, having successfully come through the training programme.

In addition, we have continued to invest in our employee rewards systems. Performance related bonus schemes, together with the development of our employee benefits package, has continued to ensure our success in both retaining and recruiting the best employees in the hospitality market.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

Matters covered in the strategic report

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the group's Strategic Report information required by Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008, Sch.7 to be contained in the Directors' Report.

Disclosure of information to auditors

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

Post balance sheet events

During and following the year end, the company has experienced a reduction in revenue due to concern over the coronavirus and government restrictions which has resulted in bars, restaurants and hostels being closed and therefore unable to trade. No adjustment has been made as a reliable measurement of the impact is currently unavailable.

Auditors

The auditors, Elman Wall Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23 December 2021 and signed on its behalf.

Mr K C Knowles
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEDS & BARS GROUP LIMITED

Opinion

We have audited the financial statements of Beds & Bars Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 27 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 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 Group's and of the parent Company's affairs as at 27 March 2021 and of the Group's loss for the period 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 Group 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEDS & BARS GROUP LIMITED (CONTINUED)

Conclusions relating to going concern

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the Group's or the parent Company's ability to continue as a going concern. Whilst the Group and parent Company reported a loss for the year ended 31 March 2021, as of that date, the Group and parent Company's current assets exceeded its current liabilities. We draw your attention to Note 2.3.

The financial statements do not include any adjustments that would result from a failure to continue as a going concern.

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

Based on the work we have performed, except for the comments made in Note 2.3 and the uncertainty created by the coronavirus pandemic, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or 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.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

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 Auditors' 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 Group Strategic Report and the Directors' Report for the financial period 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 AUDITORS' REPORT TO THE MEMBERS OF BEDS & BARS GROUP LIMITED (CONTINUED)

Matters on which we are required to report by exception

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.

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

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEDS & BARS GROUP 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 Auditors' 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 Group financial statements

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.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Owing to the inherent limitations of an audit there is unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. In addition as with any audit there remained a higher risk of nondetection of irregularities as these may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' Report.

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Karanjit Gill (Senior Statutory Auditor)

for and on behalf of

Elman Wall Limited

Chartered Accountants

Statutory Auditor

36 Old Jewry

London

EC2R 8DD

23 December 2021

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 27 MARCH 2021**

	Note	2021 £	2020 £
Turnover	4	5,710,987	55,313,400
Cost of sales		(1,290,893)	(9,250,983)
Gross profit		4,420,094	46,062,417
Administrative expenses		(21,542,875)	(44,417,347)
Disposal of investment in participating interest		67,328	-
Other operating income	5	6,515,157	258,153
Operating (loss)/profit	6	(10,540,296)	1,903,223
EBITDA before exceptional items:			
Operating profit as above		(10,540,296)	1,903,223
Depreciation of tangible fixed assets		3,386,220	3,020,548
Amortisation and impairment of goodwill		160,762	156,744
Amortisation of negative goodwill		(15,568)	(15,568)
EBITDA		(7,008,882)	5,064,947
Amounts written off financial liabilities		-	75,000
Interest receivable and similar income	11	7,990	-
Interest payable and expenses	12	(761,667)	(966,367)
(Loss)/profit before taxation		(11,293,973)	1,011,856
Tax on (loss)/profit	13	301,448	(858,490)
(Loss)/profit for the financial period		(10,992,525)	153,366
Currency translation differences		(111,498)	574,495
Other comprehensive income		75,368	-
Other comprehensive income for the period		(36,130)	574,495
Total comprehensive income for the period		(11,028,655)	727,861
(Loss)/profit for the period attributable to:			
Non-controlling interests		(826,457)	683,707
Owners of the parent Company		(10,166,068)	(530,341)
		(10,992,525)	153,366
Total comprehensive income for the period attributable to:			
Non-controlling interest		(901,825)	757,016

BEDS & BARS GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

Owners of the parent Company	(10,126,830)	(29,155)
	<u>(11,028,655)</u>	<u>727,861</u>

The notes on pages 22 to 56 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 27 MARCH 2021

	Note	27 March 2021 £	28 March 2020 £
Fixed assets			
Intangible assets	15	5,362,593	5,754,205
Tangible assets	16	39,977,278	43,166,327
Investments	17	-	91,501
		<u>45,339,871</u>	<u>49,012,033</u>
Current assets			
Stocks	18	169,806	391,281
Debtors	19	4,255,512	4,799,830
Cash at bank and in hand	20	2,751,163	2,588,685
		<u>7,176,481</u>	<u>7,779,796</u>
Creditors: amounts falling due within one year	21	(10,731,983)	(15,339,903)
Net current liabilities		<u>(3,555,502)</u>	<u>(7,560,107)</u>
Total assets less current liabilities		<u>41,784,369</u>	<u>41,451,926</u>
Creditors: amounts falling due after more than one year	22	(33,449,304)	(22,012,840)
Provisions for liabilities			
Deferred taxation	26	(1,903,600)	(1,903,600)
Net assets		<u>6,431,465</u>	<u>17,535,486</u>
Capital and reserves			
Called up share capital	27	313,885	313,885
Revaluation reserve	28	8,209,099	8,209,099
Other reserves	28	219,916	219,916
Profit and loss account	28	(1,484,733)	8,717,463
Equity attributable to owners of the parent Company		<u>7,258,167</u>	<u>17,460,363</u>
Non-controlling interests		(826,702)	75,123
		<u>6,431,465</u>	<u>17,535,486</u>

BEDS & BARS GROUP LIMITED
REGISTERED NUMBER: 10661826

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 27 MARCH 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 December 2021.

Mr K C Knowles
Director

The notes on pages 22 to 56 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 27 MARCH 2021

	Note	27 March 2021 £	28 March 2020 £
Fixed assets			
Investments	17	1,773,826	1,773,826
		<u>1,773,826</u>	<u>1,773,826</u>
Current assets			
Debtors	19	1	1
		<u>1</u>	<u>1</u>
Creditors: amounts falling due within one year	21	(986,364)	(986,363)
		<u>(986,363)</u>	<u>(986,362)</u>
Net current liabilities		<u>(986,363)</u>	<u>(986,362)</u>
Total assets less current liabilities		<u>787,463</u>	<u>787,464</u>
Creditors: amounts falling due after more than one year	22	(594,578)	(572,027)
		<u>(594,578)</u>	<u>(572,027)</u>
Net assets		<u><u>192,885</u></u>	<u><u>215,437</u></u>
Capital and reserves			
Called up share capital	27	313,885	313,885
Profit and loss account brought forward		(98,448)	(70,663)
Loss for the period		(22,552)	(27,785)
Profit and loss account carried forward		(121,000)	(98,448)
		<u><u>192,885</u></u>	<u><u>215,437</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 December 2021.

Mr K C Knowles
Director

The notes on pages 22 to 56 form part of these financial statements.

BEDS & BARS GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 27 MARCH 2021**

	Called up share capital	evaluation reserve	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	non-controlling interests	Total equity
	£	£	£	£	£	£	£
At 29 March 2020	313,885	8,209,099	219,916	8,717,463	17,460,363	75,123	17,535,486
Comprehensive income for the period	-	-	-	10,166,068	10,166,068	(901,825)	11,067,893
Loss for the period	-	-	-	(111,498)	(111,498)	-	(111,498)
Currency translation differences on overseas subsidiaries	-	-	-	(111,498)	(111,498)	-	(111,498)
Amounts attributable to non-controlling interests	-	-	-	75,368	75,368	-	75,368
Other comprehensive income for the period	-	-	-	(36,130)	(36,130)	-	(36,130)
Total comprehensive income for the period	-	-	-	10,202,198	10,202,198	(901,825)	11,104,023
Dividends: Equity capital	-	-	-	2	2	-	2
Total transactions with owners	-	-	-	2	2	-	2
At 27 March 2021	<u>313,885</u>	<u>8,209,099</u>	<u>219,916</u>	<u>(1,484,733)</u>	<u>7,258,167</u>	<u>(826,702)</u>	<u>6,431,465</u>

The notes on pages 22 to 56 form part of these financial statements.

BEDS & BARS GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 MARCH 2020**

	Called up share capital £	evaluation reserve £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent Company £	non-controlling interests £	Total equity £
At 31 March 2019	313,885	8,209,099	219,916	8,728,061	17,470,961	(681,893)	16,789,068
Comprehensive income for the period	-	-	-	(530,341)	(530,341)	683,707	153,366
Profit for the period							
Currency translation differences on overseas subsidiaries	-	-	-	574,495	574,495	-	574,495
Amounts attributable to non-controlling interests	-	-	-	(46,401)	(46,401)	73,309	26,908
Total comprehensive income for the period	-	-	-	(2,247)	(2,247)	757,016	754,769
Dividends	-	-	-	(8,351)	(8,351)	-	(8,351)
At 28 March 2020	<u>313,885</u>	<u>8,209,099</u>	<u>219,916</u>	<u>8,717,463</u>	<u>17,460,363</u>	<u>75,123</u>	<u>17,535,486</u>

The notes on pages 22 to 56 form part of these financial statements.

BEDS & BARS GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 27 MARCH 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 31 March 2019	313,885	(70,663)	243,222
Comprehensive income for the period			
Loss for the period	-	(27,785)	(27,785)
	-	(27,785)	(27,785)
Total comprehensive income for the period			
	-	(27,785)	(27,785)
At 28 March 2020	313,885	(98,448)	215,437
Comprehensive income for the period			
Loss for the period	-	(22,552)	(22,552)
	-	(22,552)	(22,552)
At 27 March 2021	<u>313,885</u>	<u>(121,000)</u>	<u>192,885</u>

The notes on pages 22 to 56 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 27 MARCH 2021**

	27 March 2021 £	28 March 2020 £
Cash flows from operating activities		
(Loss)/profit for the financial period	(10,992,525)	153,366
Adjustments for:		
Amortisation of intangible assets	145,194	141,176
Depreciation of tangible assets	3,386,220	3,020,548
Finance costs	761,667	966,367
Loss on disposal of tangible assets	8,306	(1,195)
Government grants	(6,350,297)	(69,919)
Taxation charge	(301,448)	858,490
Decrease/(increase) in stocks	221,475	(35,924)
Decrease in debtors	544,318	197,630
(Decrease) in creditors	(5,941,728)	(733,988)
Corporation tax received/(paid)	869,664	(2,156,327)
Interest paid	(761,667)	(966,367)
Other gains/losses	(7,990)	(75,000)
Interest received	7,990	-
Net cash generated from operating activities	(18,410,821)	1,298,857
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(2,709,790)
Purchase of tangible fixed assets	(453,374)	(6,317,436)
Sale of tangible fixed assets	-	1,195
Proceeds on disposal of investments	67,328	75,000
Net cash from investing activities	(386,046)	(8,951,031)
Cash flows from financing activities		
New secured loans	12,073,802	1,410,090
Repayment of/new finance leases	(227,268)	(242,695)
Proceeds from Government Grants	6,350,297	69,919
Net cash used in financing activities	18,196,831	1,237,314
Net (decrease) in cash and cash equivalents	(600,036)	(6,414,860)
Cash and cash equivalents at beginning of period	2,588,685	8,839,685
Foreign exchange gains and losses	382,819	163,860
Cash and cash equivalents at the end of period	2,371,468	2,588,685

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 27 MARCH 2021

	27 March 2021 £	28 March 2020 £
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	2,751,163	2,588,685
Bank overdrafts	(379,695)	-
	<u>2,371,468</u>	<u>2,588,685</u>

The notes on pages 22 to 56 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

1. General information

Beds & Bars Group Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The address of the registered office is Overlord House, 1D Colet Gardens, Hammersmith, London, England, W14 9DH.

The group consists of Beds & Bars Group Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

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 judgment 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 Group is not entitled to take the Qualifying Entity exemptions detailed in paragraph 1.12 of FRS 102 however the company in its individual financial statements has taken advantage of the following disclosure exemptions:

- The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial statements presentation paragraph 3.17(d).
- The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A providing the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement of Section 33 Related Party Disclosures paragraph 33.7.

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)**2.2 Basis of consolidation**

The consolidated financial statements incorporate those of Beds & Bars Group Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method, except where stated below. Their results are incorporated from the date that control passes.

The company acquired 100% of the ordinary share capital of Beds & Bars Limited in a share for share exchange as part of a group reconstruction on 30 March 2017. As the business combination meets the definition of a group reconstruction, Beds & Bars Group Limited has applied merger accounting under section 19 of FRS 102 where the controlling party was the same before and after the transaction. In line with the requirement of merger accounting the consolidated financial statements have been prepared as if the group had always been in existence.

The requirements of merger accounting state that the difference, if any, between the nominal value of the shares issued plus the fair value of any other consideration given, and the nominal value of the shares received in exchange shall be shown as a movement on other reserves in the consolidated financial statements. Any existing balances on the share premium account of the new subsidiary shall be brought in by being shown as a movement on other reserves. These movements shall be shown in the statement of changes in equity.

The directors consider it is appropriate to use merger accounting to present consolidated information for the group as if the new legal structure had always existed. This will be necessary to ensure that the shareholders receive useful information about their investment on an ongoing basis, recognising that there has been no change in the substance of their investment.

The directors consider that the alternative approach of acquisition accounting, with the restatement of separable assets and liabilities to fair values, the creation of goodwill and inclusion of post reorganisation results only, would not give a true and fair view of the group results and financial position. The substance of the transaction was not the acquisition of a business but a group reconstruction under which a new holding company has been established with the former controlling party of Beds & Bars Limited having the same control in the new holding company as they had previously held in Beds & Bars Limited. The directors consider that it is not practicable to quantify the effect of this departure from the requirements of the Companies Act 2006.

All financial statements are made up to 27 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Outside the requirements of merger accounting, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

2.3 Going concern

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

The company is a member of the Beds & Bars Group. The Group is financed by long term funding of £11 million from HSBC (drawn down on 31 March 2015) with further facilities of £500k drawn down in May 2016, £5 million draw down in August 2018 and £4.2 million drawn down in December 2016.

The directors have prepared a detailed business plan including cash flow projections which indicate that the group will meet the revised measurement requirements of HSBC.

Having considered potential risks and the current economic environment, the directors have a reasonable expectation that the group and company will achieve the forecasted performance and has adequate resources to continue in operational existence for the foreseeable future.

The Company has paid special attention to the COVID-19 pandemic and the associated impact on the business. This includes:

The impact of government-imposed travel restrictions on our continued operation and those of our suppliers;

The economic and social impact on our existing and potential customer base and the resulting fall in revenue.

The current and future financial position of the Company, its cash flows and liquidity position have been reviewed by the directors. These have been prepared with a very prudent view on the likely gradual recovery in each of the Company's operating locations and have been stress tested to ensure that cash flows and liquidity are sufficiently robust to allow the Company to continue to trade during this period.

In managing its cash flows, the Company has received £9,000,000 funding through the Coronavirus Business Interruption Loan Scheme (CLBILS) and taken other actions to manage short- and longer term liquidity including reducing the Company's overhead base and taking advantage of the UK Job Retention Scheme and accessing government grant support.

The group had recovered revenues in excess of 90% of 2019 benchmark by 11/2021, but headwinds of the new strains of COVID continue to impact sales across Europe with a combination of Governmental restrictions and customer buying patterns.

Having considered potential risks and the current economic environment, the Directors have a reasonable expectation that the group and company will have adequate resources to continue in operational existence for the foreseeable future.

Based on the foregoing, the directors believe that it remains appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised at the fair value of consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Franchising income

On entering an arrangement with the group, a franchisee pays an initial setup fee. This is used to cover the group's cost in the initial setup of the franchisee on the advertising platforms, setup of a website on behalf of the franchisee, and such other initial services as the company agrees. Turnover is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

The group charges commission on the bookings made through the group's website within the agent relationship with the franchisee. In the event that a booking is cancelled, the group's commission element is not refundable. Therefore, commission is recognised on the date that the booking is made.

The company recognises revenue in respect of management charges receivable from its associated undertakings. Turnover is recognised when the company becomes entitled to receive the revenue under the intercompany arrangement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated 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.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 31 March 2019 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

During the year the Company benefited from taking advantage of government support in the form of the Coronavirus Job Retention Scheme (CJRS) and local government support (see note 5).

2.9 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.10 Finance costs

Finance costs are charged to the Consolidated 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.

2.11 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period in which they are incurred.

2.12 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 Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

2.14 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.

2.15 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.

Other 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.

All intangible assets are considered to have a finite useful life of thirty years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.16 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, .

Depreciation is provided on the following basis:

Freehold property	- Over 50 years
Long-term leasehold property	- Over an average leasehold length of 10 - 50 years
Motor vehicles	- Over 4 years
Fixtures and fittings	- Over 5 or 10 years depending on the useful life of the assets

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 Consolidated Statement of Comprehensive Income.

2.17 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.18 Valuation of investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.19 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.20 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

2.21 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.

2.22 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.

2.23 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.25 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors, loans to fellow group companies, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of direct issue costs.

2.26 Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

2. Accounting policies (continued)

2.27 Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.28 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

In the application of the group'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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affect only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Lease categorisation

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the group as lessee, or the lessee, where the company is a lessor.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Impairment of assets

The recoverable amount of goodwill is based on value in use which requires estimates in respect of the allocation of goodwill to cash generating units, the future cashflows and an appropriate discount rate. The key inputs to the value in use calculations are the discount rate and the future earnings growth.

Following their review, the directors have determined that no impairment is necessary (2020 - nil). The carrying value of goodwill at the year end was £5,362,593 (2020 - £5,754,205).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

4. Turnover

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

	2021 £	2020 £
Sales of food and beverages	2,664,984	25,505,873
Sales of accommodation and ancillary services	2,496,018	28,393,300
Other sales	549,985	1,414,227
	<u>5,710,987</u>	<u>55,313,400</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	2,081,381	20,181,524
Rest of Europe	3,629,606	35,131,876
	<u>5,710,987</u>	<u>55,313,400</u>

5. Other operating income

	2021 £	2020 £
Other operating income	164,860	188,234
UK local government grants receivable	212,681	-
Government grants receivable - Coronavirus Job Retention Scheme	3,180,796	69,919
European government grants receivable	2,956,820	-
	<u>6,515,157</u>	<u>258,153</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

6. Operating (loss)/profit

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

	2021 £	2020 £
Exchange differences	(92,894)	34,521
Depreciation of owned tangible fixed assets	3,083,887	2,901,685
Depreciation of tangible fixed assets held under finance leases	302,333	118,863
Amortisation of intangible assets	160,762	141,176
Release of negative goodwill	(15,568)	(15,568)
Cost of stocks recognised as an expense	1,291,726	9,250,983
Operating lease charges	<u>6,385,419</u>	<u>8,245,637</u>

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	20,000	20,000
Audit of financial statements of the company's subsidiaries	<u>35,000</u>	<u>35,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

8. Employees

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

	Group 27 March 2021 £	Group 28 March 2020 £	Company 27 March 2021 £	Company 28 March 2020 £
Wages and salaries	8,738,165	<i>18,260,771</i>	-	-
Social security costs	377,170	<i>633,187</i>	-	-
Cost of defined contribution scheme	72,382	<i>162,593</i>	-	-
	<u>9,187,717</u>	<u>19,056,551</u>	<u>-</u>	<u>-</u>

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

	2021 No.	2020 No.
Management	61	<i>64</i>
Operational staff	344	<i>513</i>
Administration	47	<i>58</i>
	<u>452</u>	<u>635</u>

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

9. Directors' remuneration

During the period retirement benefits were accruing to 3 directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £280,933 (2020 - £523,964).

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 - £1,197).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

10. Retirement benefit schemes

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Contribution payable to the fund at the year end and included within creditors were £23,847 (2020 - £38,242).

11. Interest receivable

	2021 £	2020 £
Other interest receivable	7,990	-
	<u>7,990</u>	<u>-</u>

12. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	592,435	595,796
Other loan interest payable	119,076	277,079
Finance leases and hire purchase contracts	17,951	50,056
Other interest payable	32,205	43,436
	<u>761,667</u>	<u>966,367</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

13. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	-	(726)
Adjustments in respect of previous periods	-	1,596
	<u>-</u>	<u>870</u>
Foreign tax		
Foreign tax on income for the year	(301,448)	876,716
	<u>(301,448)</u>	<u>876,716</u>
Total current tax	<u>(301,448)</u>	<u>877,586</u>
Deferred tax		
Origination and reversal of timing differences	-	(19,096)
Total deferred tax	<u>-</u>	<u>(19,096)</u>
Taxation on (loss)/profit on ordinary activities	<u>(301,448)</u>	<u>858,490</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

13. Taxation (continued)**Factors affecting tax charge for the period**

The tax assessed for the period is the same as *(2020 - the same as)* the standard rate of corporation tax in the UK of 19% *(2020 - 19%)* as set out below:

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	<u>(11,293,973)</u>	<u>1,011,856</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(2,145,855)	192,253
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	<u>1,844,407</u>	<u>666,237</u>
Total tax charge for the period	<u>(301,448)</u>	<u>858,490</u>

14. Exceptional items

	2021 £	2020 £
Disposal of investment in participating interest	<u>(67,328)</u>	-
	<u>(67,328)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

15. Intangible assets

Group

	Goodwill £	Negative goodwill £	Total £
Cost			
At 29 March 2020	8,178,892	(467,035)	7,711,857
Foreign exchange movement	(332,003)	-	(332,003)
At 27 March 2021	7,846,889	(467,035)	7,379,854
Amortisation			
At 29 March 2020	2,175,602	(217,950)	1,957,652
Charge for the year	160,762	(15,568)	145,194
Foreign exchange movement	(85,585)	-	(85,585)
At 27 March 2021	2,250,779	(233,518)	2,017,261
Net book value			
At 27 March 2021	5,596,110	(233,517)	5,362,593
At 28 March 2020	6,003,290	(249,085)	5,754,205

The company had no intangible fixed assets at 27 March 2021.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**
16. Tangible fixed assets**Group**

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 29 March 2020	20,061,225	23,762,366	279,985	18,217,531	62,321,107
Additions	-	248,653	-	204,721	453,374
Disposals	-	-	(32,907)	(1,562,192)	(1,595,099)
Exchange adjustments	(50,222)	(254,509)	(259)	(440,595)	(745,585)
At 27 March 2021	20,011,003	23,756,510	246,819	16,419,465	60,433,797
Depreciation					
At 29 March 2020	1,545,752	8,811,777	217,277	8,579,974	19,154,780
Charge for the period on owned assets	115,738	778,517	1,124	2,444,859	3,340,238
Charge for the period on financed assets	-	-	45,982	-	45,982
Disposals	-	-	(32,907)	(1,553,886)	(1,586,793)
Exchange adjustments	(35,501)	(168,007)	-	(294,180)	(497,688)
At 27 March 2021	1,625,989	9,422,287	231,476	9,176,767	20,456,519
Net book value					
At 27 March 2021	<u>18,385,014</u>	<u>14,334,223</u>	<u>15,343</u>	<u>7,242,698</u>	<u>39,977,278</u>
At 28 March 2020	<u>18,515,473</u>	<u>14,950,589</u>	<u>62,708</u>	<u>9,637,557</u>	<u>43,166,327</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

16. Tangible fixed assets (continued)

The company had no tangible fixed assets at 27 March 2021.

The fair value of The Flying Horse has been arrived at on the basis of a valuation carried out at 8 February 2017 by Christie & Co, Chartered Surveyors, who are not connected to the company. The directors consider the above valuation to be a fair representation of the property's fair value at 28 March 2020 and 27 March 2021.

The fair value of the Group's remaining investment and freehold properties has been arrived at on the basis of a valuation carried out at 25 November 2014 by Christie & Co, Chartered Surveyors, who are not connected to the company. The directors consider the above valuation to be a fair representation of the property's fair value at 28 March 2020 and 27 March 2021.

The valuations conform to International Valuation Standards and were based on recent market transactions on arm's length terms for similar properties. Christie & Co are Chartered Surveyors and members of RICS.

The net book value of land and buildings may be further analysed as follows:

	27 March 2021 £	<i>28 March 2020 £</i>
Freehold	18,385,014	<i>18,515,473</i>
Long leasehold	14,334,223	<i>14,950,586</i>
	<u>32,719,237</u>	<u><i>33,466,059</i></u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	27 March 2021 £	<i>28 March 2020 £</i>
Group		
Cost	3,769,855	<i>3,769,855</i>
Accumulated depreciation	(859,331)	<i>(786,709)</i>
Net book value	<u>2,910,524</u>	<u><i>2,983,146</i></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

17. Fixed asset investments

Group

	Investments in associates £
Cost or valuation	
At 29 March 2020	91,501
	<hr/>
At 27 March 2021	91,501
	<hr/>
Impairment	
Charge for the period	91,501
	<hr/>
At 27 March 2021	91,501
	<hr/>
Net book value	
At 27 March 2021	-
	<hr/>
At 28 March 2020	<u>91,501</u>

Fixed asset investments not carried at market value

The group held an investment of less than 20% in an unlisted entity. The directors do not believe that the fair value of the investment can be reliably measured. In accordance with paragraph 11.14(d) of FRS 102, this investment is held at cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**
Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Direct/ Indirect Holding
Beds & Bars Limited	a	Licence public houses with ancillary budget accommodation	Ordinary	100 %
St Christopher's Holdings Limited	a	Dormant holding company	Ordinary	100 %
St Christopher's (Amsterdam) BV	b	Licence public houses with ancillary budget accommodation	Ordinary	100 %
St Christopher's Bruges BV	c	Licence public houses with ancillary budget accommodation	Ordinary	90 %
St Christopher's Inns Limited	a	Property holding company	Ordinary	100 %
Crossgate BV	c	Licence public houses with ancillary budget accommodation	Ordinary	90 %
Hotel Winston BV	b	Licence public houses with ancillary budget accommodation	Ordinary	100 %
Winston Kingdom BV	e	Nightclub	Ordinary	100 %
St Christopher's (Paris) sas	f	Licence public houses with ancillary budget accommodation	Ordinary	100 %
Literas y Bares	g	Licence public houses with ancillary budget accommodation	Ordinary	100 %
Beds and Bars Franchise Limited	a	Franchising	Ordinary	100 %
Flying Pig UK Limited	a	Holding company	Ordinary	13 %
Flying Pig Headoffice BV	b	Holding company	Ordinary	13 %
Flying Pig Downtown BV	h	Licence public houses with ancillary budget accommodation	Ordinary	13 %
Flying Pig Palace BV	h	Licence public houses with ancillary budget accommodation	Ordinary	13 %
Interpub Limited	a	Licence public houses with ancillary budget accommodation	Ordinary	100 %
Beds & Bars (UK) Limited	a	Dormant	Ordinary	100 %

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

Subsidiary undertakings (continued)

Registered office addresses:

- a. 1D Colet gardens, Hammersmith, London, England, W14 9DH
- b. Warmoesstraat 129, 1012JA Amsterdam, Netherlands
- c. 133-137 Langestrat, Bruges, 8000, Belgium
- d. Rosa-Luxemburg Strasse 39-41, 10178 Berlin, Germany
- e. Warmoesstraat 131, 1012JB Amsterdam, Netherlands
- f. 159 Rue de Crimee, 75019 Paris, France
- g. Avda. Insitulo Obrero 20, zip code/CP: 46013, Valencia, Spain
- h. Nieuwendijk 100, 1012 MR Amsterdam, Netherlands

Flying Pig UK Limited and its three wholly owned subsidiaries, Flying Pig Headoffice BV, Flying Pig Downtown BV and Flying Pig Uptown BV, have been determined by the directors to be companies under common control and are managed on a unified basis with that of Beds & Bars Limited and its subsidiaries. Consequently the entities are included within the consolidated financial statements of Beds & Bars Group Limited.

18. Stocks

	Group 27 March 2021 £	<i>Group 28 March 2020 £</i>
Raw materials and consumables	15,014	40,159
Finished goods and goods for resale	154,792	351,122
	169,806	391,281

The difference between purchase price or production cost of stocks and their replacement cost is not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

19. Debtors

	Group 27 March 2021 £	Group 28 March 2020 £	Company 27 March 2021 £	Company 28 March 2020 £
Due after more than one year				
Other debtors	874,473	904,623	1	1
	<u>874,473</u>	<u>904,623</u>	<u>1</u>	<u>1</u>
Due within one year				
Trade debtors	134,564	235,384	-	-
Other debtors	1,358,162	2,510,356	-	-
Prepayments and accrued income	1,178,547	1,149,467	-	-
Tax recoverable	555,790	-	-	-
Grants receivable	153,976	-	-	-
	<u>4,255,512</u>	<u>4,799,830</u>	<u>1</u>	<u>1</u>

20. Cash and cash equivalents

	Group 27 March 2021 £	Group 28 March 2020 £
Cash at bank and in hand	2,751,163	2,588,685
Less: bank overdrafts	(379,695)	-
	<u>2,371,468</u>	<u>2,588,685</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

21. Creditors: Amounts falling due within one year

	Group 27 March 2021 £	<i>Group</i> <i>28 March</i> <i>2020</i> £	Company 27 March 2021 £	<i>Company</i> <i>28 March</i> <i>2020</i> £
Bank overdrafts	379,695	-	-	-
Bank loans	1,233,342	123,762	-	-
Other loans	539,584	1,235,369	-	-
Trade creditors	2,672,312	4,255,898	-	-
Amounts owed to group undertakings	-	-	806,686	806,686
Corporation tax	1,228,430	660,214	-	-
Other taxation and social security	2,244,722	1,949,208	-	-
Obligations under finance lease and hire purchase contracts	295,231	276,405	-	-
Other creditors	1,357,979	2,234,825	179,678	179,677
Accruals and deferred income	780,688	4,604,222	-	-
	<u>10,731,983</u>	<u>15,339,903</u>	<u>986,364</u>	<u>986,363</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

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

	Group 27 March 2021 £	<i>Group</i> <i>28 March</i> <i>2020</i> £	Company 27 March 2021 £	<i>Company</i> <i>28 March</i> <i>2020</i> £
Bank loans	20,937,123	18,051,701	-	-
Other loans	11,855,950	3,081,365	-	-
Net obligations under finance leases and hire purchase contracts	59,153	305,247	-	-
Other creditors	594,578	572,027	594,578	572,027
Preference dividends	2,500	2,500	-	-
	<u>33,449,304</u>	<u>22,012,840</u>	<u>594,578</u>	<u>572,027</u>

Within other creditors there are amounts repayable by monthly instalments ending March 2024. At the period end an amount of £774,256 (2020 - £926,147) was owed and £179,678 (2020 - £179,678) is included in amounts due within one year, and £594,578 (2020 - £572,027) is included in amounts due after more than one year.

The group's preference 5% shares carry the right to a fixed dividend of 5% of the par value per annum. These shares do not carry any rights in respect of voting or capital. The preference shares have been classified as liabilities on the basis that they have a fixed income.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	Group 27 March 2021 £	<i>Group</i> <i>28 March</i> <i>2020</i> £
Repayable by instalments	4,766,412	5,497,686
Repayable other than by instalments	8,666,180	8,805,454
	<u>13,432,592</u>	<u>14,303,140</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

23. Loans

	Group 27 March 2021 £	Group 28 March 2020 £
Amounts falling due within one year		
Bank loans	1,233,342	123,762
Other loans	539,584	1,235,369
	<u>1,772,926</u>	<u>1,359,131</u>
Amounts falling due 1-2 years		
Bank loans	1,560,797	715,761
Other loans	4,837,982	2,843,365
	<u>6,398,779</u>	<u>3,559,126</u>
Amounts falling due 2-5 years		
Bank loans	12,723,702	3,032,800
Other loans	238,000	238,000
	<u>12,961,702</u>	<u>3,270,800</u>
Amounts falling due after more than 5 years		
Bank loans	6,652,624	14,303,140
Other loans	6,779,968	-
	<u>13,432,592</u>	<u>14,303,140</u>
	<u>34,565,999</u>	<u>22,492,197</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

23. Loans (continued)**Bank loans**

Interpub Limited owed to HSBC Bank plc an amount of £8,872,576 (2020 - £8,877,931). Interest is payable at 2.5% per annum over the Bank of England base rate. The loan is repayable by monthly instalments with a bullet payment due at the end of the term of the loan in March 2030. The loan is secured by a first legal charge over certain freehold and leasehold properties owned by Interpub Limited and St Christopher's Inns Limited together with fixed and floating charges over the trade and assets of the company and various group companies.

In May 2016, Interpub Limited entered into a further agreement with HSBC Bank plc for a loan facility of £500,000. As at the period end an amount of £443,548 (2020 - £443,812) was owed to HSBC Bank plc. Interest is payable at 2.5% per annum over the Bank of England base rate. The loan is repayable by monthly instalments with a bullet payment due at the end of the term of the loan in March 2030. The loan is secured by a first legal charge over certain freehold and leasehold properties owned by Interpub Limited and St Christopher's Inns Limited together with fixed and floating charges over the trade and assets of the company and various group companies.

In December 2016, Interpub Limited entered into a further agreement with HSBC Bank Plc for a loan facility of £4,200,000. As at the period end an amount of £4,061,098 (2020 - £4,061,098) was owed to HSBC Bank plc. Interest is payable at 2.5% per annum over the Bank of England base rate. The loan is repayable by monthly instalments with a bullet payment due at the end of the term of the loan in March 2030. The loan is secured by a first legal charge over certain freehold and leasehold properties owned by Interpub Limited and St Christopher's Inns Limited together with fixed and floating charges over the trade and assets of the company and various group companies.

In August 2018, Interpub Limited entered into a further agreement with HSBC Bank Plc for a drawdown facility of up to £5,000,000. As at the year end an amount of £4,398,113 (2020 - £4,398,113) was owed to HSBC Bank Plc. Interest is payable at 2.5% per annum over the Bank of England base rate. The loan is repayable by monthly instalments with a bullet payment due at the end of the term of the loan in March 2030. The loan is secured by a first legal charge over certain freehold and leasehold properties owned by Interpub Limited and St Christopher's Inns Limited together with fixed and floating charges over the trade and assets of the company and various group companies.

During the year, the following bank loan agreements were entered into across the group in relation to Covid-19:

Interpub Limited entered into a further agreement with HSBC Bank plc for a CLBILs loan of £9,000,000. As at year end an amount of £9,000,000 (2020 - £nil) was owed to HSBC Bank plc. Interest is payable at 2.25% per annum over the Bank of England base rate. The loan is repayable by monthly instalments with a bullet payment due at the end of the term of the loan in September 2023.

St Christopher's Paris sas entered into an agreement with BNP Paribas for a Covid related loan of €3,000,000. As at year end an amount of £2,566,076 (2020 - £nil) was owed to BNP Paribas. Interest is payable at 2.20% per annum. The loan is repayable by quarterly instalments over the term of the loan ending in May 2026.

Literas y Bares SL entered into an agreement with Sabadell for a Covid related loan of €200,000. As at year end an amount of £171,072 (2020 - £nil) was owed to Sabadell. Interest is payable at 1.75% per annum. The loan is repayable by monthly instalments over the term of the loan ending in May 2025.

Literas y Bares SL entered into an agreement with BVBA for a Covid related loan of €250,000. As at year end an amount of £213,840 (2020 - £nil) was owed to BVBA. Interest is payable at 1.5% per annum. The loan is repayable by monthly instalments over the term of the loan ending in June 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

23. Loans (continued)**24. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	Group 27 March 2021 £	<i>Group 28 March 2020 £</i>
Within one year	326,566	<i>306,081</i>
Between 1-5 years	54,197	<i>314,887</i>
Less: future finance charges	(26,380)	<i>(39,315)</i>
	<u>354,383</u>	<i><u>581,653</u></i>

The group has entered into hire purchase arrangements in order to purchase various fixed assets. At 27 March 2021, the hire purchase arrangements have final payment dates ranging from April 2021 to February 2023 and it is expected that the company will retain ownership of the assets concerned upon completion of the term of the arrangement. During the year the group entered into hire purchase arrangements for assets with a cost of £Nil (2020 - £63,144).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

25. Financial instruments

	Group 27 March 2021 £	<i>Group 28 March 2020 £</i>
Financial assets		
Financial assets measured at fair value through profit or loss	2,751,163	2,588,685
Financial assets that are debt instruments measured at amortised cost	1,138,235	-
	<u>3,889,398</u>	<u>2,588,685</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

26. Deferred taxation

Group

	2021 £
At beginning of year	(1,903,600)
Charged to the profit or loss	-
At end of year	<u>(1,903,600)</u>

The provision for deferred taxation is made up as follows:

	Group 27 March 2021 £	<i>Group</i> <i>28 March</i> <i>2020</i> £	Company 27 March 2021 £	<i>Company</i> <i>28 March</i> <i>2020</i> £
Accelerated capital allowances	(1,903,600)	(2,016,106)	-	(1,347,926)
Tax losses carried forward	-	112,506	-	-
	<u>(1,903,600)</u>	<u>(1,903,600)</u>	<u>-</u>	<u>(1,347,926)</u>

27. Share capital

	27 March 2021 £	<i>28 March</i> <i>2020</i> £
Allotted, called up and fully paid		
313,885 (2020 - 313,885) Ordinary shares of £1.00 each	<u>313,885</u>	<u>313,885</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

As a result of the above, the Group share capital is presented to 28 March 2020 and 27 March 2021, whereas the company share capital is presented only for the period from incorporation to 27 March 2021

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

28. Reserves**Revaluation reserve**

The revaluation reserve represents the cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit or loss.

Other reserves

The other reserve represents the result of merger accounting following a group reconstruction which has been recognised based on the difference between the nominal value of the shares issued plus the fair value of any other consideration given, and the nominal value of the shares received in exchange.

Profit and loss account

The profit and loss account represents cumulative profit and loss net of distributions to owners.

29. Pension commitments

The Group operates a defined contributions 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 £72,382 (2020 - £162,593). Contributions totalling £23,847 (2020 - £38,242) were payable to the fund at the reporting date and are included in creditors.

30. Commitments under operating leases

At 27 March 2021 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 27 March 2021 £	<i>Group 28 March 2020 £</i>
Not later than 1 year	7,180,983	8,105,778
Later than 1 year and not later than 5 years	32,306,136	25,199,709
Later than 5 years	46,967,440	39,226,274
	<u>86,454,559</u>	<u>72,531,761</u>

31. Financial commitments, guarantees and contingent liabilities

The Company and Group have various commitments under the security arrangements for borrowings. See note 23 for details of the arrangements. The directors do not consider it likely that any liability will arise as a result of these arrangements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021

32. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the Group, who are also directors is as follows:

	27 March 2021 £	28 March 2020 £
Aggregate compensation	839,271	1,026,266
	<u>839,271</u>	<u>1,026,266</u>

33. Transactions with related parties

During the year the group entered into the following transactions with related parties:

	27 March Management charge income 2021 £	28 March Management charge income 2020 £
Entities with control, joint control or significant influence over the company	<u>2,901,359</u>	<u>1,836,383</u>

Amounts owed to related parties

	27 March 2021 £	28 March 2020 £
Group		
Entities over which the group has control, joint control or significant influence	9,566,101	9,952,337
Company		
Entities over which the group has control, joint control or significant influence	<u>2,392,936</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 27 MARCH 2021**

Amounts owed by related parties

	27 March 2021 £	<i>28 March 2020 £</i>
Group		
Entities with control, joint control or significant influence over the group	11,959,037	<i>10,824,547</i>
Company		
Entities over which the group has control, joint control or significant	<u>-</u>	<u><i>806,686</i></u>

All parties in the group are subject to cross guarantees whereby the bank loans held within Beds & Bars

Limited and Interpub Limited are secured on the assets of all group companies.

34. Post balance sheet events

The effect of the Covid 19 pandemic continues to be felt after the year end. We have assessed its operational and financial impact on the Company and continue to take measures to monitor and mitigate the effect of Covid 19.

Revenues had recovered to over 90% of 2019 benchmark by 11/2021, but the discovery of new strains of COVID continue to make forecasting difficult. The Board are considering all options to safeguard the future of the group and the well-being of all our people.

Depending on the duration of the Covid 19 crisis and continued negative impact on economic activity, the Company might experience further negative results. We also refer to note 2.3 on Going concern.

Post the make-up date of these accounts the Group has revised its bank lines and converted the CBILS Government backed loan of £9m to a RLS of £10m.

The directors have concluded that no other material events have occurred since the date of approval of these financial statements that would affect the financial statements of the Company.

35. Controlling party

The ultimate controlling party is Mr K C Knowles.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.