

Company Registration No. 11024900 (England and Wales)

TYL HOLDING UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

TYL HOLDING UK LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 6
Income statement	7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 21

TYL HOLDING UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present the strategic report for the year ended 30 June 2019.

Fair review of the business and key performance indicators (KPIs)

The Company was incorporated on 20 October 2017. The principal activity of the company is holding function, with 100% participation in the operating company TYL UK Ltd, which operates the bar / restaurant GENUINE Liquorette in London.

The Directors are pleased with the results for the year ended 30 June 2019, which reflect the development of concept and strategy – the bar operated by TYL UK Ltd opened in September 2018.

The company focusses on the brand GENUINE Liquorette and there were significant amounts of investment during the period, mainly to buy the IP European Union.

From opening of the venue, the KPIs used by the directors to monitor the performance of the business include like-for-like %, gross margin %, wage cost % and site earnings before interest, tax, depreciation and amortization. Other non-financial measures are also regularly reviewed including health and safety audits and staff turnover. The Directors constantly review the product mix, systems and training to our teams to ensure we continue to deliver the best possible product and service. The Directors constantly review the evolution and the development of the concept and strategy.

The loss before tax for the year amounted to €588,221 (2018: €168,737) mainly due to consultancy fees. General administrative expenses amounted to €587,571 (2018: €168,202). The company working capital and capital expenditure has been financed through loan from immediate parent company amounting to €4,157,387 (2018: €818,495). The company had net liabilities of €743,783 (2018: €167,849).

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management, risk management and internal audit.

The directors consider the principal risks and uncertainties affecting the Company's business to be:

Liquidity Risk

We have in place working capital forecasts for purpose of cash requirements to manage liquidity risk. We also aim to manage capital in order to provide returns to shareholders and optimise capital structure to reduce cost to capital.

Suppliers

The quality, efficiency of delivery and the pricing of the food and beverage supply chain is key to the ongoing success of the group's business. A breakdown in any one of these three areas would reduce the ability of the business to deliver to the quality expected by customers at current pricing levels.

Competitors

The food and beverages sector in the United Kingdom are a competitive market place for which there is a continuing risk to maintain competitive pricing which reflects value for money and deliver an experience which will ensure the retention of customers.

Legal obligations

The company has in place policies and procedures to ensure compliance with its legal obligations in relation to food hygiene and safety. Increased regulation within the food and beverages sector would lead to increased costs which would impact the financial performance of the company.

Economic conditions

A downturn in economic conditions could create uncertainty over the availability of finance at affordable levels in the foreseeable future. Economic conditions also affect consumer confidence and spending, which will have bearing on the financial performance of the company.

TYL HOLDING UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Future developments

The bar / restaurant operated by TYL UK Ltd opened in September 2018. Depending on macroeconomic conditions, the company looks to maintain its growth strategy.

On behalf of the board

S Lancelot

Director

23 December 2019

TYL HOLDING UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and financial statements for the year ended 30 June 2019.

Principal activities

The principal activity of the company was that of franchisor of restaurant chain.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Dufosse	(Resigned 2 September 2019)
A Hamilton-Stanley	(Resigned 31 August 2018)
S MacNab	(Resigned 6 December 2019)
C L Thompson	(Appointed 1 September 2018 and resigned 6 December 2019)
C Recuero	(Appointed 2 September 2019)
S Lancelot	(Appointed 6 December 2019)

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Jeffreys Henry LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 company will continue in business.

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

TYL HOLDING UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

S Lancelot

Director

23 December 2019

TYL HOLDING UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TYL HOLDING UK LIMITED

Opinion

We have audited the financial statements of TYL Holding UK Limited (the 'company') for the year ended 30 June 2019 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Material uncertainty related to going concern

We draw attention to Note 1.2 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of €588,221 during the year ended 30 June 2019 and, as at that date, it had net liabilities of €743,783. These matters along with other matters explained in note 1.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

TYL HOLDING UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TYL HOLDING UK LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

Mark Tenzer (Senior Statutory Auditor)
for and on behalf of **Jeffreys Henry LLP**

23 December 2019

Chartered Accountants
Statutory Auditor

Finsgate
5 - 7 Cranwood Street
London
EC1V 9EE

TYL HOLDING UK LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

		Year ended 30 June 2019 €	Period ended 30 June 2018 €
	Notes		
Administrative expenses		(587,571)	(168,202)
Interest receivable and similar income	6	4,635	1,545
Interest payable and similar expenses	7	(5,285)	(2,080)
Loss before taxation		(588,221)	(168,737)
Tax on loss	8	-	-
Loss for the financial year		(588,221)	(168,737)

TYL HOLDING UK LIMITED**STATEMENT OF COMPREHENSIVE INCOME*****FOR THE YEAR ENDED 30 JUNE 2019***

	Year ended 30 June 2019 €	Period ended 30 June 2018 €
Loss for the year	(588,221)	(168,737)
Other comprehensive income		
Currency translation differences	12,287	886
Total comprehensive income for the year	<u>(575,934)</u>	<u>(167,851)</u>

TYL HOLDING UK LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	2019 €	2018 €
Fixed assets			
Intangible assets	9	1,233,391	215,060
Tangible assets	10	154,247	81,088
Investments	11	2	2
		<u>1,387,640</u>	<u>296,150</u>
Current assets			
Debtors	13	2,291,562	908,078
Cash at bank and in hand		713,611	261,957
		<u>3,005,173</u>	<u>1,170,035</u>
Creditors: amounts falling due within one year	14	<u>(5,136,596)</u>	<u>(1,634,034)</u>
Net current liabilities		<u>(2,131,423)</u>	<u>(463,999)</u>
Total assets less current liabilities		<u>(743,783)</u>	<u>(167,849)</u>
Capital and reserves			
Called up share capital	16	2	2
Profit and loss reserves		(743,785)	(167,851)
Total equity		<u>(743,783)</u>	<u>(167,849)</u>

The financial statements were approved by the board of directors and authorised for issue on 23 December 2019 and are signed on its behalf by:

S Lancelot
Director

Company Registration No. 11024900

TYL HOLDING UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

		Share capital	Profit and loss reserves	Total
	Notes	€	€	€
Balance at 20 October 2017		-	-	-
Period ended 30 June 2018:				
Loss for the period		-	(168,737)	(168,737)
Other comprehensive income:				
Currency translation differences		-	886	886
Total comprehensive income for the period		-	(167,851)	(167,851)
Issue of share capital	16	2	-	2
Balance at 30 June 2018		2	(167,851)	(167,849)
Period ended 30 June 2019:				
Loss for the period		-	(588,221)	(588,221)
Other comprehensive income:				
Currency translation differences		-	12,287	12,287
Total comprehensive income for the period		-	(575,934)	(575,934)
Balance at 30 June 2019		2	(743,785)	(743,783)

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

Company information

TYL Holding UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is building 12 Chiswick Park, 566 Chiswick High Road, London, W4 5AN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in euros, which is the presentational currency of the company. Monetary amounts in these financial statements are rounded to the nearest €. The functional currency of the company is sterling.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

TYL Holding UK Limited is an indirectly wholly owned subsidiary of Pernod Ricard SA and the results of TYL Holding UK Limited are included in the consolidated financial statements of Pernod Ricard SA which are available from 12 Place des Etats-Unis, 75116 Paris, France.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis, the validity of which is dependent upon the continued financial support from the immediate parent company. The immediate parent company has confirmed this support will continue and will enable the company to trade for the foreseeable future and meet its financial commitments as they fall due.

If the support of immediate parent company ceased, then the Company would need to seek alternative finance in order to be able to remain as a going concern. The financial statements do not include the adjustments that would result if the Company is unable to continue as a going concern.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Intangible assets comprise primarily development of retail concept, trade marks and technology. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 10 years. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT equipments	25% straight line method
---------------	--------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company 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 in the company's statement of financial position when the company 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 debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.12 Employee benefits

The costs 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Items included in the financial statements of each of the entities in the group are measured using the currency of the primary economic environment in which the group operates (the functional currency). The functional currency is the pounds sterling. The company financial statements are presented in euro.

(i) 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 profit and loss account.

(ii) Translation

The trading results of group undertakings that have a different functional currency from that of the group are translated into Euros at the average exchange rates for the year. Their assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end.

Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

2 Judgements and key sources of estimation uncertainty

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

The 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 affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

3 Operating loss

	2019	2018
	€	€
Operating loss for the period is stated after charging:		
Exchange losses	27,925	2,796
Depreciation of owned tangible fixed assets	38,901	-
Amortisation of intangible assets	118,036	-
	<u>184,862</u>	<u>2,796</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to €27,925 (2018 - €2,796).

4 Auditor's remuneration

	2019	2018
	€	€
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,239	5,079
	<u>6,239</u>	<u>5,079</u>

5 Employees

During the year, the company have no other employee except directors.

	2019	2018
	Number	Number
Directors	3	3
Administration	1	-
	<u>4</u>	<u>3</u>

Their aggregate remuneration comprised:

	2019	2018
	€	€
Wages and salaries	36,978	-
Social security costs	4,653	-
Pension costs	249	-
	<u>41,880</u>	<u>-</u>

6 Interest receivable and similar income

	2019	2018
	€	€
Interest income		
Interest receivable from group companies	4,635	1,545
	<u>4,635</u>	<u>1,545</u>

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

7 Interest payable and similar expenses

	2019	2018
	€	€
Interest payable to group undertakings	5,285	2,080

8 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	€	€
Loss before taxation	(588,221)	(168,737)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(111,762)	(32,060)
Group relief	110,524	32,992
Permanent capital allowances in excess of depreciation	1,238	(932)
Taxation charge for the period	-	-

9 Intangible fixed assets

	Development costs	Trade marks	Total
	€	€	€
Cost			
At 1 July 2018	215,060	-	215,060
Additions - internally developed	18,281	-	18,281
Additions - separately acquired	-	1,118,708	1,118,708
Exchange adjustments	(2,669)	-	(2,669)
At 30 June 2019	230,672	1,118,708	1,349,380
Amortisation and impairment			
At 1 July 2018	-	-	-
Amortisation charged for the year	24,810	93,226	118,036
Exchange adjustments	(2,047)	-	(2,047)
At 30 June 2019	22,763	93,226	115,989
Carrying amount			
At 30 June 2019	207,909	1,025,482	1,233,391
At 30 June 2018	215,060	-	215,060

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

10 Tangible fixed assets

	Assets under construction	IT equipments	Total
	€	€	€
Cost			
At 1 July 2018	81,088	-	81,088
Additions	-	112,391	112,391
Transfers	(80,082)	81,088	1,006
Exchange adjustments	(1,006)	(1,006)	(2,012)
	<u>-</u>	<u>192,473</u>	<u>192,473</u>
At 30 June 2019	-	192,473	192,473
Depreciation and impairment			
At 1 July 2018	-	-	-
Depreciation charged in the year	-	38,901	38,901
Exchange adjustments	-	(675)	(675)
	<u>-</u>	<u>38,226</u>	<u>38,226</u>
At 30 June 2019	-	38,226	38,226
Carrying amount			
At 30 June 2019	-	154,247	154,247
	<u>81,088</u>	<u>-</u>	<u>81,088</u>
At 30 June 2018	81,088	-	81,088

11 Fixed asset investments

	Notes	2019 €	2018 €
Investments in subsidiaries	12	2	2

Movements in fixed asset investments

	Shares in group undertakings
	€
Cost or valuation	
At 1 July 2018 & 30 June 2019	2
Carrying amount	
At 30 June 2019	2
At 30 June 2018	2

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

12 Subsidiaries

Details of the company's subsidiaries at 30 June 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
TYL UK Limited	England & Wales	Restaurant	Ordinary	100.00	0

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	€	€
TYL UK Limited	(956,455)	(11,903,925)

13 Debtors

	2019	2018
Amounts falling due within one year:	€	€
Amounts owed by group undertakings	2,252,682	818,495
Other debtors	14,186	69,237
Prepayments and accrued income	24,694	20,346
	<u>2,291,562</u>	<u>908,078</u>

Amounts due from group undertakings are unsecured and due within one year. Interest is accrued at global interest rate plus applicable margin of 0.50% - 0.60%.

14 Creditors: amounts falling due within one year

	2019	2018
Notes	€	€
Bank loans and overdrafts	1	56
Trade creditors	947,283	521,462
Amounts owed to group undertakings	4,157,387	996,938
Taxation and social security	5,558	-
Other creditors	7,083	104,565
Accruals and deferred income	19,284	11,013
	<u>5,136,596</u>	<u>1,634,034</u>

Amounts due to group undertakings are unsecured and due within one year. Interest is accrued at global interest rate plus applicable margin of 0.50% - 0.60%.

TYL HOLDING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

15 Retirement benefit schemes

	2019	2018
Defined contribution schemes	€	€
Charge to profit or loss in respect of defined contribution schemes	249	-
	<u>249</u>	<u>-</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Share capital

	2019	2018
Ordinary share capital Issued and fully paid	€	€
2 Ordinary of €1 each	2	2
	<u>2</u>	<u>2</u>

17 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption provided in FRS 102 Section 33 from disclosing transactions with members of the same group that are wholly owned.

18 Ultimate controlling party

The immediate parent undertaking is Createurs de Conviviality Ventures SAS, a company incorporated in France.

The ultimate parent is Pernod Ricard SA, a company incorporated in France and its registered office is 12 place des Etats-Unis 75116 Paris, France.

The Pernod Ricard SA group is the smallest and largest group within which the results of the group and company are consolidated.

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.