

Company registration number 11642850 (England and Wales)

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**NEWREST INFLIGHT UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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# NEWREST INFLIGHT UK LIMITED

## COMPANY INFORMATION

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**Directors**

J E Stent-Torriani  
Olivier Sadran

**Company number**

11642850

**Registered office**

3 Milbrook Way  
Colnbrook  
Slough  
SL3 0HN

**Auditor**

Dawn & Co Ltd  
Chartered Certified Accountants & Statutory Auditors  
35A High Street  
Ruislip  
United Kingdom  
HA4 7AU

**Business address**

3 Milbrook Way  
Colnbrook  
Slough  
SL3 0HN

**Accountants**

JSP Accountants Limited  
Chartered Certified Accountants  
First Floor  
10 College Road  
Harrow  
Middlesex  
HA1 1BE

# NEWREST INFLIGHT UK LIMITED

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# NEWREST INFLIGHT UK LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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The directors present the strategic report for the year ended 30 September 2023.

### Review of the business

The financial year 2023 was a consistent year within the operations, we have a stable customer base and have seen some increases in operations due to the increase in schedules and passenger volume within our current customers.

The first half of the year was challenging in terms of managing the inflationary pressures in both food costs and wage costs.

The second half of the year saw increases in the flight schedules of customers in Q3 and continued increasing in Q4. The increase in revenue in the second half of the financial year was also aided with the successful award of a new contract to complement the existing operations.

Operating profit for the year was 12.7% (2022: 9%) and revenue growth was 63% (2022: 134%).

### Principal risks and uncertainties

The company operates in a highly competitive market and is subject to fluctuating cycles experience in the airline catering sector.

The main risk for the business into the financial year 2024 is the significant inflation effects which are still high within food and fuel pricing. We are continuing to focus on how we can minimise waste within our production activities and how we can drive energy efficient practices to minimise as much as possible the inflationary impact.

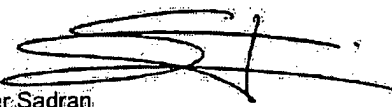
The UK labour market continues to be a challenging environment with a limited supply of staff wishing to work within our sector and increasing pay rates across all areas of the business present challenges for retention and recruitment of staff.

The company is also exposed to a number of different regulatory environments and, in order to maintain a competitive market position, and to protect its interests, the company maintains robust policies on health and safety, quality, and training.

### Future prospects

Our focus in the next year is to embed the practices we have embarked on in FY2023 to focus on managing our waste and increasing our operational efficiencies in order to tackle the ever-increasing inflationary impacts. We continue to develop our quality and health and safety policies and programmes to ensure that we continue to deliver a high standard of service, safe operation and working practices for all staff. We are also committed to driving forward in improvements within our sustainability initiatives to deliver environmental benefits. The sustainability, efficiencies and quality aspects are driven through our focus on the use of automation and upskilling of our teams.

On behalf of the board



Olivier Sadran

Director

25 January 2024

# NEWREST INFLIGHT UK LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The directors present their annual report and financial statements for the year ended 30 September 2023.

### Results and dividends

The results for the year are set out on page 8.

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

### Directors

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

Oliver Sadran

J E Stent-Torriani

Matthieu Jeandel (Resigned: 01.02.2023)

### Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 60 day's purchases, based on the average daily amount invoiced by suppliers during the year.

### Auditor

Dawn & Co Limited were appointed as auditors to the company and in accordance with the company's articles, a resolution proposing that be reappointed as auditor of the company will be put at a General Meeting.

### Energy and carbon report

As the company has consumed more than 40,000 kWh of energy in this reporting period, it doesn't qualify as a low energy user under these regulations and is required to report on its emissions, energy consumption or energy efficiency activities:

	2023 kWh	2022 kWh
Energy consumption		
Aggregate of energy consumption in the year	1,923,100	-

# NEWREST INFLIGHT UK LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023 metric tonnes	2022 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion		
- Fuel consumed for owned transport	155.00	-
	<u>155.00</u>	<u>-</u>
Scope 2 - indirect emissions		
- Electricity purchased	-	-
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the	-	-
	<u>-</u>	<u>-</u>
Total gross emissions	<u>155.00</u>	<u>-</u>
<i>Intensity ratio</i>		
Tonnes CO2e per employee	<u>0.52</u>	<u>-</u>

#### *Quantification and reporting methodology*

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

#### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per employee, the recommended ratio for the sector.

#### *Measures taken to improve energy efficiency*

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

#### **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 International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

# NEWREST INFLIGHT UK LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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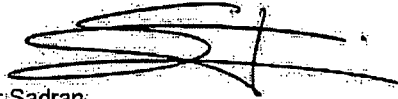
### Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board



Olivier Sadran  
Director

25 January 2024

# NEWREST INFLIGHT UK LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NEWREST INFLIGHT UK LIMITED

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#### Opinion

We have audited the financial statements of Newrest Inflight UK Limited (the 'company') for the year ended 30 September 2023 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; 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.

#### Emphasis of matter

We draw attention to Note 1 in the financial statements, which indicates that the company has a net profit of £2.4m for the year ended 30 September 2023 and, as at that date, the company's financial position shows a total deficit of £4.3m. These events or conditions, along with other matters as set out in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



# NEWREST INFLIGHT UK LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWREST INFLIGHT UK LIMITED

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#### 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.

#### 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 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, 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.

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

[The auditor's assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.] ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

[Which laws and regulations the auditor identified as being of significance in the context of the entity.] ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

# NEWREST INFLIGHT UK LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF NEWREST INFLIGHT UK LIMITED

[The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) 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 internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.]

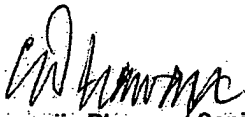
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- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.]

ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Charanjiv Dhawan (Senior Statutory Auditor)  
For and on behalf of

Date:

22/04/2024

Dawn & Co Ltd  
Chartered Certified Accountants & Statutory Auditors  
35A High Street  
Ruislip  
United Kingdom  
HA4 7AU

# NEWREST INFLIGHT UK LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 £	2022 £
Revenue	3	32,876,863	20,132,066
Cost of sales		(23,181,844)	(13,602,938)
<b>Gross profit</b>		<b>9,695,019</b>	<b>6,529,128</b>
Other operating income		58,650	38,394
Administrative expenses		(7,162,512)	(5,902,529)
<b>Operating profit</b>	4	<b>2,591,157</b>	<b>664,993</b>
Finance costs	6	(193,689)	(917,208)
<b>Profit/(loss) before taxation</b>		<b>2,397,468</b>	<b>(252,215)</b>
Income tax expense	7	(360,208)	-
<b>Profit/(loss) and total comprehensive income for the year</b>	17	<b>2,037,260</b>	<b>(252,215)</b>

The income statement has been prepared on the basis that all operations are continuing operations.


# NEWREST INFLIGHT UK LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	2022 £
<b>Non-current assets</b>			
Property, plant and equipment	8	7,375,710	9,180,998
<b>Current assets</b>			
Inventories	9	406,943	278,424
Trade and other receivables	10	2,645,674	2,565,956
Cash and cash equivalents		482,584	1,398,348
		3,535,201	4,242,728
<b>Current liabilities</b>			
Trade and other payables	13	5,862,042	3,794,300
Current tax liabilities		360,208	-
Lease liabilities	14	141,984	139,673
		6,364,234	3,933,973
<b>Net current (liabilities)/assets</b>		(2,829,033)	308,755
<b>Non-current liabilities</b>			
Borrowings	12	8,788,290	15,627,026
Lease liabilities	14	60,169	201,769
		8,848,459	15,828,795
<b>Net liabilities</b>		(4,301,782)	(6,339,042)
<b>Equity</b>			
Called up share capital	16	10,000	10,000
Retained earnings	17	(4,311,782)	(6,349,042)
<b>Total equity</b>		(4,301,782)	(6,339,042)

The financial statements were approved by the board of directors and authorised for issue on 25 January 2024 and are signed on its behalf by:



Olivier Sadran  
Director

Company registration number 11642850

# NEWREST INFLIGHT UK LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Share capital £	Retained earnings £	Total £
Balance at 1 October 2021	10,000	(6,096,827)	(6,086,827)
Year ended 30 September 2022:			
Loss and total comprehensive income for the year	-	(252,215)	(252,215)
Balance at 30 September 2022	10,000	(6,349,042)	(6,339,042)
Year ended 30 September 2023:			
Profit and total comprehensive income for the year	-	2,037,260	2,037,260
Balance at 30 September 2023	10,000	(4,311,782)	(4,301,782)

# NEWREST INFLIGHT UK LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20	6,255,952		6,779,558	
Interest paid		(193,689)		(917,208)	
<b>Net cash inflow from operating activities</b>		<b>6,062,263</b>		<b>5,862,350</b>	
<b>Investing activities</b>					
Purchase of property, plant and equipment			(540,038)		
<b>Net cash used in investing activities</b>				<b>(540,038)</b>	
<b>Financing activities</b>					
Repayment of borrowings		(6,838,738)		(4,742,955)	
Payment of lease liabilities		(139,289)		291,929	
<b>Net cash used in financing activities</b>		<b>(6,978,027)</b>		<b>(4,451,027)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(915,764)</b>		<b>871,285</b>	
Cash and cash equivalents at beginning of year		1,398,348		527,063	
Cash and cash equivalents at end of year		<b>482,584</b>		<b>1,398,348</b>	

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

#### Company information

Newrest Inflight UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Millbrook Way, Colnbrook, Slough, SL3 0HN, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements have been prepared on the historical cost basis, except for the revaluation of . The principal accounting policies adopted are set out below.

NEWREST INFLIGHT UK LIMITED is a wholly owned subsidiary of NEWREST HOLDING UK LIMITED which is in turn a 100% subsidiary of NEWREST GROUP HOLDING S.A. and the results of Newrest Inflight UK Limited are included in the consolidated financial statements of Newrest Group Holding S.A which are available from AMB Barajas Logistic Park, Avenida Central no. 42, Modulos MYN- 28042, Madrid, Spain.

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

The financial year 2023 was a consistent year within the operations, we have a stable customer base and have seen some increases in operations due to the increase in schedules and passenger volume within our current customers.

The first half of the year was challenging in terms of managing the inflationary pressures in both food costs and wage costs.

The second half of the year saw increases in the flight schedules of customers in Q3 and continued increasing in Q4. The increase in revenue in the second half of the financial year was also aided with the successful award of a new contract to complement the existing operations.

Operating profit for the year was 12.7% (2022: 9%) and revenue growth was 63% (2022: 134%)

As a result of the above, the company reported a net profit of £2.04m) as compared to a net loss last year of amount £0.25m and a total negative equity of £4.3m (2022: £6.3m).

The directors confirm that there is strong financial support available from its parent company NEWREST GROUP HOLDING S.A and on this basis going concern basis is applicable

#### 1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

Revenue from contracts for the provision of professional services 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, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 1.4 Property, plant and equipment

Property, plant and equipment 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:

Leasehold land and buildings

Fixtures and fittings

Plant and equipment

Computers

Motor vehicles/ Trucks

Right of Use assets

Over 5 years on a Straight line basis

Over 7 years on a Straight line basis

Over 3 years on a Straight line basis

Over 3.7 years on a Straight line basis

Over term of lease

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 recognised in the income statement.

#### 1.5 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible 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.

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.



# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1 Accounting policies

(Continued)

##### 1.6 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

##### 1.7 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

##### 1.8 Cash and cash equivalents

Cash and cash equivalents 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 assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

##### **Trade and other receivables**

*Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment.*

*Those that are receivable after more than one year or constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost, net of impairment.*

##### **Impairment of financial assets**

A loss allowance is recognised on initial recognition of financial assets held at amortised cost, based on expected credit losses, and is re-measured annually with changes appearing in profit and loss. Where there has been a significant increase in credit risk of the financial instrument since initial recognition, the loss allowance is measured based on lifetime expected losses. In all other cases, the loss allowance is measured on 12-month expected losses. For assets with a maturity of 12 months or less, including trade receivables, the 12-month expected loss allowance is equal to the lifetime expected loss allowance.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.10 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

##### *Trade and other payables*

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

##### *Other financial liabilities*

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

##### *Derecognition of financial liabilities*

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

#### 1.11 Equity instruments

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

#### 1.12 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.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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.

#### **1.13 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 inventories or non-current 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.

#### **1.14 Retirement benefits**

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

#### **1.15 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 fair value of the assets at the date of inception and the present value of the 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **1.16 Grants**

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

#### **1.17 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1 Accounting policies

(Continued)

##### 1.18 Assessment and Impact of new IFRS

The following summary includes all new standards and amendments endorsed by the EU with an effective date on or after 1 January 2023.

- Amendment to IFRS 17 - Insurance Contracts issued December 2021 (applicable for annual periods beginning on or after 1 January 2023)
- Amendment to IAS 8 - Definition of Accounting Estimates issued February 2021 (applicable for annual periods beginning on or after 1 January 2023)
- Amendment to IAS 1 & IFRS Practice Statement 2 - Disclosure of Accounting policies issued February 2021 (applicable for annual periods beginning on or after 1 January 2023)
- Amendment to IAS 12 - Deferred tax related to Assets and liabilities arising from Single transactions issued May 2021 (applicable for annual periods beginning on or after 1 January 2023)

The above standards are all effective after 01 January 2023 and the impact these standards on the company's financial statements can be assessed as follows:

##### 1.19 Amendment to IFRS 17 - Insurance Contracts

IFRS 17 requires an entity to recognise profit from a group of insurance contracts over the period the entity provides services, and as the entity is released from risk. If a group of contracts is or becomes loss-making, the entity is required to recognise the loss immediately. The Accounting Standard also requires insurance revenue, insurance service expenses, and insurance finance income or expenses to be presented separately.

Since the IASB issued IFRS 17 in May 2017, it has been carrying out activities to support entities and monitor their progress in implementing the Accounting Standard. These activities helped the IASB to understand the concerns and challenges that some entities identified while implementing the Accounting Standard. The IASB considered these concerns and challenges and decided to amend IFRS 17. The objective of the amendments is to assist entities implementing the Accounting Standard, while not unduly disrupting implementation or diminishing the usefulness of the information provided by applying IFRS 17.

IFRS 17, as amended in June 2020 and December 2021, is effective for annual reporting periods beginning on or after 1 January 2023.

##### Amendments to IAS 8 - Definition of Accounting Estimates

Definition of Accounting Estimates amends IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments introduced the definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

The above Standard is effective for Annual periods beginning on or after 1 January 2023

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies

(Continued)

#### Amendments to IAS 1 and IFRS Practice Statement 2- Disclosure of Accounting Policies

Disclosure of Accounting Policies amends IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements. The amendments replace the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

#### Amendments to IAS 12- Deferred Tax related to Assets and Liabilities arising from a single transaction

Deferred Tax related to Assets and Liabilities arising from a Single Transaction amends IAS 12: Income Taxes. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments apply to transactions such as leases and decommissioning obligations.

We have assessed the above requirements and consider that they will not have a significant effect on the way the above is currently dealt and reported in the financial statements.

### 2 Critical accounting estimates and judgements

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

### 3 Revenue

	2023 £	2022 £
Revenue analysed by class of business:		
United Kingdom	32,876,863	20,132,066
	<u>2023</u> £	<u>2022</u> £
Other income		
Grants received	58,650	394

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(58,650)	(394)
Fees payable to the company's auditor for the audit of the company's financial statements	9,575	8,090
Depreciation of property, plant and equipment	1,759,318	1,855,124
Loss on disposal of property, plant and equipment	45,972	1,181
Cost of inventories recognised as an expense	14,436,748	8,348,259

#### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
United Kingdom	224	142

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	7,582,135	4,576,974
Social security costs	847,267	445,397
Pension costs	315,694	232,308
	8,745,096	5,254,679

#### 6 Finance costs

	2023 £	2022 £
Interest on obligations under lease liabilities	1,423	1,948
Other interest payable	378,769	581,217
Total interest expense	380,192	583,165
Exchange differences on financing transactions	(186,503)	334,043
	193,689	917,208

#### 7 Income tax expense

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	360,208	-

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 7 Income tax expense

(Continued)

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2023 £	2022 £
Profit/(loss) before taxation	2,397,468	(252,215)
Expected tax charge based on a corporation tax rate of 22.00% (2022: 0%)	527,443	-
Effect of expenses not deductible in determining taxable profit	10,114	-
Utilisation of tax losses not previously recognised	(356,272)	-
Permanent capital allowances in excess of depreciation	(181,007)	-
Depreciation on assets not qualifying for tax allowances	387,050	-
Under/(over) provided in prior years	3,803	-
IFRS 16 Allowable deduction	(30,923)	-
Taxation charge for the year	360,208	-

# **NEWREST INFLIGHT UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 30 SEPTEMBER 2023**

### **8 Property, plant and equipment**

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles/ Trucks	Right of Use assets	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 October 2021	7,303,832	1,859,233	202,242	612,624	3,868,671	78,889	13,925,492
Additions	69,966	88,573	-	-	-	381,499	540,038
Disposals	-	-	(96,732)	(3,129)	-	-	(99,861)
At 30 September 2022	7,373,798	1,947,806	105,512	609,495	3,868,671	460,388	14,365,669
Disposals	-	(93,626)	-	-	-	-	(93,626)
At 30 September 2023	7,373,798	1,854,180	105,512	609,495	3,868,671	460,388	14,272,044
<b>Accumulated depreciation and impairment</b>							
At 1 October 2021	1,319,320	498,056	138,113	380,843	1,062,220	29,675	3,428,227
Charge for the year	731,397	269,931	21,083	198,428	552,668	81,617	1,855,124
Eliminated on disposal	-	-	(96,271)	(2,409)	-	-	(98,680)
At 30 September 2022	2,050,717	767,987	62,925	576,862	1,614,887	111,292	5,184,671
Charge for the year	740,369	273,996	21,083	30,641	552,668	140,561	1,759,318
Eliminated on disposal	-	(47,654)	-	-	-	-	(47,654)
At 30 September 2023	2,791,086	994,329	84,008	607,503	2,167,555	251,853	6,896,334
<b>Carrying amount</b>							
At 30 September 2023	4,582,712	859,851	21,504	1,992	1,701,116	208,535	7,375,710
At 30 September 2022	5,323,081	1,179,819	42,586	32,633	2,253,783	349,096	9,180,998



# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 9 Inventories

	2023 £	2022 £
Finished goods	406,943	278,424

### 10 Trade and other receivables

	2023 £	2022 £
Trade receivables	1,330,766	438,816
VAT recoverable	26,320	-
Amount owed by parent undertaking	-	30,333
Amounts owed by fellow group undertakings	-	1,136,861
Other receivables	1,066,523	830,885
Prepayments	222,065	129,061
	2,645,674	2,565,956

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Note: There is no formal net off procedure for the Group loans.

### 11 Trade receivables - credit risk

#### Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

### 12 Borrowings

	Non-current 2023 £	2022 £
Borrowings held at amortised cost:		
Loans from parent undertaking	8,788,290	15,627,026

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 13 Trade and other payables

	2023 £	2022 £
Trade payables	2,404,416	1,841,729
Amount owed to parent undertaking	155,741	24,183
Amounts owed to fellow group undertakings	37,529	-
Accruals	3,045,809	1,742,128
Social security and other taxation	218,547	186,260
	<u>5,862,042</u>	<u>3,794,300</u>

### 14 Lease liabilities

	2023 £	2022 £
<b>Maturity analysis</b>		
Within one year	141,984	139,673
In two to five years	60,169	201,769
<b>Total undiscounted liabilities</b>	<u>202,153</u>	<u>341,442</u>

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023 £	2022 £
Current liabilities	141,984	139,673
Non-current liabilities	60,169	201,769
	<u>202,153</u>	<u>341,442</u>

	2023 £	2022 £
Amounts recognised in profit or loss include the following:		
Interest on lease liabilities	<u>1,423</u>	<u>1,948</u>

### 15 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>315,694</u>	<u>232,308</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.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 16 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital</b>				
<b>Authorised</b>				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

### 17 Retained earnings

	2023 £	2022 £
At the beginning of the year	(6,349,042)	(6,096,827)
Profit/(loss) for the year	2,037,260	(252,215)
At the end of the year	(4,311,782)	(6,349,042)

### 18 Capital risk management

The company is not subject to any externally imposed capital requirements.

### 19 Related party transactions

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

	Group loan interest paid		Group interest receivable	
	2023 £	2022 £	2023 £	2022 £
Parent company	378,769	581,217	-	38,000

The loan interest is in relation to loans taken from Newrest Group International S.A.S (France). The rate of interest on all the loans are at 3% per annum. The company has obtained an Addendum to the Loan agreement and the new repayment date set at on or after 30 September 2025.

#### Extension of loan repayment

Newrest Group International S.A.S (France) have extended all the loan repayment dates and stated that they would not be recalled on their due dates if the company doesn't have sufficient funds to repay the loans.

#### Interest received on Group Loan

The company entered into loan agreement with Newrest Group International S.A.S (France). The rate of interest on all the loans are at 1% per annum on any unpaid principal of the loan.

# NEWREST INFLIGHT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 19 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2023 £	2022 £
<b>Amounts due to related parties</b>		
Newrest Holding UK Limited	155,741	24,183
Newrest All Limited	37,529	-
	<u>193,270</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

	2023 £	2022 £
<b>Amounts due from related parties</b>		
Newrest All Limited	-	1,136,861
	<u>-</u>	<u>1,136,861</u>

### 20 Cash generated from operations

	2023 £	2022 £
Profit/(loss) for the year after tax	2,037,260	(252,215)
<b>Adjustments for:</b>		
Taxation charged	360,208	-
Finance costs	193,689	917,209
Loss on disposal of property, plant and equipment	45,972	1,181
Depreciation and impairment of property, plant and equipment	1,759,318	1,855,124
<b>Movements in working capital:</b>		
Increase in inventories	(128,519)	(188,834)
(Increase)/decrease in trade and other receivables	(53,398)	3,460,539
Increase in trade and other payables	2,041,422	986,554
<b>Cash generated from operations</b>	<u>6,255,952</u>	<u>6,779,558</u>