

## **Bistrot Pierre 1994 Limited**

Report and Financial Statements

Period Ended

30 June 2021

Company Number 12698262



# Bistrot Pierre 1994 Limited

## Company Information

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<b>Directors</b>	J Derkach N J White S Gordon M S Advani
<b>Company secretary</b>	S Gordon
<b>Registered number</b>	12698262
<b>Registered office</b>	Milton Chambers 19 Milton Street Nottingham NG1 3EU
<b>Independent auditor</b>	RSM UK Audit LLP Rivermead House 7 Lewis Court Grove Park Leicester LE19 1SD
<b>Bankers</b>	National Westminster Bank plc 5th Floor, Cumberland Place Nottingham NG1 7ZS

# **Bistrot Pierre 1994 Limited**

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# **Bistrot Pierre 1994 Limited**

## **Strategic Report For the Period Ended 30 June 2021**

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The directors present their strategic report for the period ended 30 June 2021.

### **History**

The company is a trading company and was incorporated on 25 June 2020 with the name Baisley Bidco Limited, along with its parent companies Baisley Midco Limited and Baisley Topco Limited. Subsequently on 30 June 2020 a further parent company, Baisley Midco 2 Limited, was incorporated forming the group. Also on 30 June 2020 Baisley Bidco Limited changed its name to Bistrot Pierre 1994 Limited.

### **Chairman's Report**

Bistrot Pierre 1994 Limited was formed on 14<sup>th</sup> July 2020, as the country emerged from the first national coronavirus lockdown, via the purchase of certain assets and goodwill of Le Bistrot Pierre Limited from its administrators by Livingbridge and management, with support from its existing bankers, National Westminster Plc.

The company comprises 19 restaurants located in the North, the Midlands (the brand's traditional heartland), Wales and the South / Southwest. Our financial year runs from 1<sup>st</sup> July to 30<sup>th</sup> June.

Our first year was shaped by the extraordinary challenges faced by the hospitality industry as the country struggled with successive waves of the global COVID-19 pandemic and the national and regional measures imposed to contain it. As an example of the disruption faced by society during this difficult year, none of our restaurants traded without restrictions of one form or another (takeout only, outdoor dining only, curfew, "rule of 6") for more than 15 weeks out of the 52 under review, and one, in Leicester, faced closure or trading restrictions for an astonishing 46 weeks. Despite the optimism generated by the Eat Out to Help Out initiative in the early months of the financial year, no site was able to trade, without restrictions, for more than 9 consecutive weeks.

When restaurants were able to operate without restrictions, Bistrot Pierre's results were positive – and sometimes exceptionally so, particularly in our newer, larger locations and those in coastal towns. Restaurants in city centres and those subject to enhanced restrictions in the autumn and winter performed less strongly, but all had demonstrated positive momentum prior to the third national lockdown which began on 6<sup>th</sup> January and lasted (for indoor dining) until 17<sup>th</sup> May 2021.

That the company traded at close to breakeven in 2020/21, closing the year with a stronger balance sheet and significantly reduced net debt (£5.7m at Year End) compared to the pre-pandemic business, reflected ongoing Government support (primarily the Coronavirus Job Retention Scheme of £3.3m); the brand's continuing appeal to its customers, and the hard work of our 760 loyal employees, led by CEO Nick White and his colleagues on the Company's leadership team. The resilience, commitment, and willingness to support each other demonstrated by all our teams have been admirable and, at times, inspirational; their efforts have far exceeded anything that might reasonably have been expected of them.

We also benefitted enormously from the deeply appreciated support of our landlords, suppliers, and lenders – particularly in the early months of the year. Their confidence in Bistrot Pierre and willingness to work with us to find mutually beneficial solutions to challenging problems were critical to our ability to move forward in an uncertain environment. The stronger relationships forged in this period will serve all parties well in the future.

The severity and unpredictability of the restrictions facing the hospitality industry – often imposed at extremely short notice - required all operators to act with great flexibility and adaptability. Our priorities, throughout, were to ensure the safety of our customers, to protect the well-being of our employees, many of whom were intermittently furloughed, and to invest in the fabric of our estate – reconfiguring restaurants to meet social distancing requirements, refurbishing several sites and significantly enhancing outdoor dining areas in many locations. We also took the opportunity to accelerate training, improve our recruitment and people development capability, enhance employee communication, and strengthen customer engagement via the Club Bistrot Pierre loyalty scheme, which already accounts for roughly a third of our revenue.

# **Bistrot Pierre 1994 Limited**

## **Strategic Report For the Period Ended 30 June 2021**

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These efforts paid significant dividends when the business was able to fully reopen just before the end of FY 2020/2021. Despite the well documented supply chain issues affecting the industry, all but one of our restaurants have traded profitably over July to October, led, once again, by the exceptional performance of our seaside locations. Encouragingly, net promoter scores, across the estate, are at an all-time high of 76% and food scores average 94% over the last three months, with a simplified and more focussed menu, driving spend per head and reducing wastage. In addition, notwithstanding the pressures on employment which have affected our industry, the Company had just one general management vacancy as at October 11<sup>th</sup>.

In short, Bistrot Pierre has survived its first year well. Turnover of £15.0m and Trading EBITDA of (£0.7m) are above our Business Plan (even adjusted for the current lower VAT rate) and customer satisfaction is at record levels.

Innovations in our central kitchen facility, lower central overheads and the higher spend per head generated by food and menu initiatives have more than offset recent labour and COGS inflation and the fact that covers have not yet returned to pre-pandemic levels in all locations.

The Board have reviewed multiple forward looking cash flow forecasts, taking in to account future risks relating to the COVID-19 pandemic including the Omicron variant. These include sales levels being negatively impacted by suppressed demand during the winter months compared to the same normal trading period in 2019 and periods of full closure. These cash flow forecasts indicate that current cash levels would be sufficient, if needed, to fund a significant further lockdown of up to 5 months, without breaching banking covenants.

We are not out of the woods yet and there will doubtless be many twists and turns before coronavirus becomes manageably endemic rather than unpredictably pandemic (for example, at the time of writing, the emergence of the omicron variant has prompted a further tightening of restrictions). Nonetheless, we believe that Bistrot Pierre is well positioned to take advantage of the anticipated recovery in casual dining. The brand proposition, great "everyday special" French food, combines well with our value - driven pricing strategy, regional footprint and focus on larger restaurants in iconic buildings to create a strong platform for future profitable growth. We have no exposure to the fiercely competed trade zones inside the M25, where qualified labour is in shortest supply, and no presence on over-developed retail and leisure parks. As a consequence, our rents, as a % of sales are barely half the industry average. At the time of signing, the company is trading ahead of its budget for FY 2021/2022.

The directors now feel sufficiently confident of the Company's prospects to commit to the second phase of our Business Plan – expansion into additional locations, with a focus on seaside towns. Negotiations are progressing on three 6000 + square foot sites that reflect learnings from our successful Mumbles and Eastbourne sites, both of which are forecast to achieve sales in excess of £3.5m this financial year. We anticipate adding 1-2 sites per year over the coming years.

Most importantly of all, the mood across the organisation is buoyant. Our people joined this industry because they delight in the company of others and in the buzz that comes from serving happy customers in busy restaurants: working from home was never an option for them. It has been a delight to see our fabulous team members back at work, to see our restaurants full again, and to see appreciative guests enjoy the simple pleasure of breaking bread with friends.

Long may it continue!

**John Derkach**  
Chairman

# Bistrot Pierre 1994 Limited

## Strategic Report For the Period Ended 30 June 2021

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### Business Overview

#### *The Business*

The principle business of the Company is the operation of full service casual dining restaurants offering high quality French-inspired food at attractive prices. Most of our restaurants have separate bars (used mainly pre- and post-dining) whilst two sites (Ilkley and Stratford) have separate pubs and two (Ilkley and Plymouth) have adjacent hotel rooms.

#### *Our Estate*

We operate 19 lease-hold restaurants in two broad geographic regions:

#### *Midlands & the North:*

Nottingham, Leicester, Derby, Coventry, Birmingham, Mere Green, Kidderminster, Stratford, Leamington Spa, Ilkley, Preston, Altrincham & Southport.

#### *South/South West and Wales:*

Eastbourne, Torquay, Plymouth, Weston-super-Mare, Mumbles and Newport.

### Key Financial Indicators

	FY 2020/2021
Turnover: £m	15
Trading EBITDA: £m	(0.7)
Trading EBITDA %	(4.7)
Profit/(Loss) before tax	(2.1)
Debt at end of period: £m	(10)
Cash at end of period: £m	4.3
Net debt: £m	(5.7)
Payments to employees: £m	(10.3)
Furlough receipts: £m	3.3
Net payments to employees: £m	(7.0)

*\*Trading EBITDA is earnings before interest, tax, depreciation, amortisation and exceptional costs.*

# Bistrot Pierre 1994 Limited

## Strategic Report For the Period Ended 30 June 2021

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### Summary of Key Business Risks

#### *Consumer Demand*

To ensure we continue to delight customers we track Net Promoter and Food appreciation scores nationally, at restaurant level and on a shift-specific basis. Data is collected at table and via social media and analysed by external agencies. The results are used to improve food and service and are reviewed by the Board each month. Importantly, GM and Head Chef bonuses are based on the customer feedback in their restaurants, rather than financial metrics. Scores are at an all-time high and, in June, 14 sites were rated in the top 10% of restaurants, globally, by Trip Advisor.

#### *Coronavirus*

UK coronavirus cases remain higher than in most other European countries and it is not inconceivable that we might suffer another lockdown before the crisis is over. We now have a well-developed playbook to manage this eventuality and, more importantly, have sufficient cash to fund a protracted closure whilst honouring our commitments to creditors.

#### *Brexit*

Brexit has created challenges to both the supply chain and recruitment. Our central kitchen, which produces or processes 40% of our food is a strong buffer against supply failure (for example, we hold sufficient stocks of turkey to meet our Christmas forecasts) whilst the fact that 66% of our employees are UK citizens compared to 50% + for the industry, leaves us less exposed to the difficulties encountered in recruiting EU nationals and other overseas workers.

#### *Business Continuity*

Our biggest business continuity risks are a major power failure or site denial at our central kitchen. To mitigate these risks, we have installed reserve refrigeration and power supply at the site and identified (and tested) alternative sourcing and supply options for all critical products.

#### *Suppliers and Inflation*

We partner with suppliers who are amongst the best and most reliable in the industry. Our food team is also extremely adept at developing alternative, high-quality dishes to quickly replace any which suffer sudden, large cost increases.

#### *Liquidity and Financial Risks*

The business is funded by equity, long-term shareholder loans and bank debt. The Board reviews performance on at least a monthly basis and believes that current funds and facilities are sufficient to meet its liabilities and satisfy its banking covenants even in 'worst case' scenarios.

We are also confident that our cash protection processes fully meet the highest standards in the industry and conduct frequent internal reviews to ensure compliance.

#### *Health and Safety and Regulatory Risks*

Ensuring a safe environment for our customers and employees is a critical priority for Bistrot Pierre. We set high standards, supported by clear, well-communicated processes, and have engaged independent external advisors to audit compliance. We comply fully with all other regulations applicable to our industry and are confident that none poses a risk to our viability.

#### *Section 172 (1) Statement: Engagement with Stakeholders*

Our stakeholder relationships are based on openness and transparency – and on dialogue; we believe it's as important to *listen* as it is to communicate:

#### *Employees*

Our people are our greatest asset. We endeavour at all times to treat everyone with respect and act decisively on the feedback received in engagement surveys, employee forums, conferences and town hall meetings. We are committed to developing all employees to achieve their full potential and proud to pay salaries and wages that are higher than the average for our sector.

# Bistrot Pierre 1994 Limited

## Strategic Report For the Period Ended 30 June 2021

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### *Customers*

We offer an "everyday special" experience to all our customers. So everyone pays the same price: there are no blanket discounts, deals or vouchers in Bistrot Pierre; value is communicated by our fixed price menus and the Club Bistrot Pierre loyalty scheme which is open to all guests and now has 139,800 members. We engage directly with Club members (eg inviting them to food tastings and menu launches, hosting special events and seeking their views on proposed new dishes). Additionally, we receive 23,000 pieces of feedback each month from surveys conducted at table.

### *Landlords and Suppliers*

We have collaborative relationships with both our landlords and the businesses who provide us with goods and services, favouring long term partnerships over short term arrangements. We appreciate the support and flexibility shown by these stakeholders during the pandemic and look forward to working with them, to maximise mutual value during the recovery.

### *Lenders*

We maintain very open communications with NatWest, both formally and informally. We discuss Business Plans and Budgets with Bank representatives and review performance with them via monthly reporting and quarterly business reviews. Their opinion is sought in advance on key business issues - for example on expansion - to ensure they remain involved and committed.

### *Shareholders*

All significant shareholders are represented on the Board of the Company, which meets formally each month to review financial performance and progress against KPI targets. Informal contact, including meetings in restaurants, is more frequent, ensuring that shareholders are fully advised of developments and have the opportunity to contribute fully to business decisions.

### *The Community and Environment*

Bistrot Pierre is rooted in the community. Our restaurants are local landmarks; guests and team members live nearby, and, in several cases, local authorities are our landlords. It's our policy to engage positively with local bodies (for example, our CFO serves as a board member of the Nottingham BID). We also adhere to industry best practice on environmental matters such as waste, recycling and energy management (eg we began the move to LED lighting this year) but recognise the need to do more. Reducing the Company's carbon footprint will be a priority over the next 2 – 3 years.

### *Ethical Business Conduct*

We have clear, high standards of behaviour, modelled by the leadership team, and seek to recruit only those who share our values, which are communicated in handbooks given to all employees on joining and reinforced in team meetings. Bistrot Pierre is an informal, supportive organisation but in this area, we practice tough love: there is absolutely zero tolerance (and, fortunately, very little incidence) of bullying, harassment, theft (whether from the Company or from colleagues) or discrimination of any kind. Externally, it's an article of faith that we pay all bills in full and on time.

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



**S Gordon**  
Director

Date:

21/12/21



# **Bistrot Pierre 1994 Limited**

## **Directors' Report For the Period Ended 30 June 2021**

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The directors present their report and the financial statements for the period ended 30 June 2021.

### **Principal activity**

The principal activity of the company is that of restaurant, hotel and bar management. The company commenced trading on 14 July 2020 following the acquisition as detailed in note 14 of the financial statements.

### **Incorporation and change of name**

The company was incorporated on 25 June 2020 as Baisley Bidco Limited and changed its name on 30 June 2020 to Bistrot Pierre 1994 Limited.

### **Results and dividends**

The loss for the period, after taxation, amounted to £1,442,765.

The directors do not propose a dividend for the period.

### **Directors**

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

J Derkach  
N J White  
S Gordon  
M S Advani

All the directors were appointed on 25 June 2020.

### **Employees**

It is group policy that there should be effective communication with all employees who, subject to practical and commercial considerations, should be consulted on and involved in decisions that affect their current jobs and future prospects.

The achievement of this policy has to be treated flexibly in accordance with the varying circumstances and needs of companies in the group but, in all cases, the emphasis is on communication at the local level.

The group actively encourages the promotion of safe working conditions and procedures and the development of practices which secure and enhance the health and welfare at work of employees.

Applications for employment by disabled persons are fully and fairly considered having regard to the abilities of each applicant. Efforts are made to enable any employee who becomes disabled during employment to continue their career with the group. Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled.

### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of a fair review of its business, future developments and its principal risks and uncertainties.

# **Bistrot Pierre 1994 Limited**

## **Directors' Report For the Period Ended 30 June 2021**

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### **Auditors**

RSM UK Audit LLP were appointed as auditor to the company to fill a casual vacancy. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Qualifying third party indemnity provisions**

At the time of approval of the directors' report qualifying third party indemnity provision is in force and was in force during the financial period for the benefit of the directors of the company.

### **Disclosure of information to auditor**

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

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

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



**S Gordon**  
Director

Date: 21/12/21

# **Bistrot Pierre 1994 Limited**

## **Directors' Responsibilities Statement For the Period Ended 30 June 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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*; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# **Bistrot Pierre 1994 Limited**

## **Independent Auditor's Report to the Members of Bistrot Pierre 1994 Limited**

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### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Bistrot Pierre Limited (the 'Company') for the period ended 30 June 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 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 2021 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

#### **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.

# **Bistrot Pierre 1994 Limited**

## **Independent Auditor's Report to the Members of Bistrot Pierre 1994 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 the audit:

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

### **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 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 set out on page 10, 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 the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

# Bistrot Pierre 1994 Limited

## Independent Auditor's Report to the Members of Bistrot Pierre 1994 Limited

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Company operates in and how the Company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations that have a direct impact on the financial statements were determined as follows:

<b>Legislation Regulation</b>	<b>Audit procedures performed by the audit engagement team included:</b>
<b>FRS 102 and the Companies Act 2006</b>	Review of the financial statement disclosures and testing to supporting documentation. Completion of disclosure checklists to identify areas of non-compliance.
<b>Tax compliance regulations</b>	Review of the Company's tax computations. Inspecting correspondence with external tax advisors.
<b>Food safety and hygiene</b>	We carried out searches in respect of food hygiene ratings to identify any sites poorly rated and indication of potential breaches. We held discussions with management and reviewed minutes to confirm whether there had been any reported significant breaches in respect of food safety.

The audit engagement team identified the following areas as being susceptible to material misstatement due to fraud:

<b>Risk</b>	<b>Audit procedures performed by the audit engagement team included:</b>
<b>Revenue recognition</b>	Gaining an understanding of the processes and controls operated over revenue recognition and performing walk through tests. Performing a 3-way match between the EPOS system, the accounting records and cash receipts. Reviewing sales by site for any significant or unusual trends.
<b>Government grants – Coronavirus Job Retention Scheme (CJRS) claims</b>	Obtaining an understanding of the processes and controls around CJRS claims. Agreeing receipts in respect of CJRS to supporting claims and subsequent payment to furloughed employees. Testing a sample of employee furlough claims back to management calculations and reperforming calculations.
<b>Management override of controls</b>	Testing the appropriateness of journal entries. Assessing whether the judgements made in making accounting estimates are indicative of a potential bias. Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

# **Bistrot Pierre 1994 Limited**

## **Independent Auditor's Report to the Members of Bistrot Pierre 1994 Limited**

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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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mitul Raja (Senior Statutory Auditor)**  
**For and on behalf of RSM UK Audit LLP**

**Chartered Accountants**  
**Statutory Auditor**

*Mitul Raja*

**21/12/2021**

Rivermead House  
Grove Park  
7 Lewis Court  
Leicester  
LE19 1SD

# Bistrot Pierre 1994 Limited

## Statement of Comprehensive Income For the Period Ended 30 June 2021

		Trading EBITDA* 2021 £	Exceptional items, depreciation and amortisation 2021 £	Total 2021 £
	Note			
Turnover	4	14,989,705	-	14,989,705
Cost of sales		(12,887,307)	-	(12,887,307)
Exceptional items	5	-	306,179	306,179
<b>Gross profit</b>		<u>2,102,398</u>	<u>306,179</u>	<u>2,408,577</u>
Administrative expenses		(6,607,884)	(931,350)	(7,539,234)
Exceptional items	5	-	(316,234)	(316,234)
Other operating income	6	3,896,293	-	3,896,293
<b>Operating loss</b>	7	<u>(609,193)</u>	<u>(941,405)</u>	<u>(1,550,598)</u>
Interest payable and similar expenses	10	-	-	(299,002)
<b>Loss before tax</b>		<u>(609,193)</u>	<u>(941,405)</u>	<u>(1,849,600)</u>
Tax on loss	11	-	-	406,835
<b>Loss for the financial period</b>		<u><u>(609,193)</u></u>	<u><u>(941,405)</u></u>	<u><u>(1,442,765)</u></u>

\*Trading EBITDA is earnings before interest, tax, depreciation, amortisation and exceptional costs.



**Bistrot Pierre 1994 Limited**  
Registered number: 12698262

**Statement of Financial Position**  
**As at 30 June 2021**

	Note	2021 £	2021 £
<b>Fixed assets</b>			
Goodwill	12		3,239,598
Other intangible assets	12		5,427,105
			<u>8,666,703</u>
Tangible assets	13		956,303
			<u>9,623,006</u>
<b>Current assets</b>			
Stocks	15	440,657	
Debtors	16	703,312	
Cash at bank and in hand		4,344,172	
		<u>5,488,141</u>	
Creditors: amounts falling due within one year	17	(8,584,215)	
<b>Net current liabilities</b>			<u>(3,096,074)</u>
<b>Total assets less current liabilities</b>			<u>6,526,932</u>
Creditors: amounts falling due after more than one year	18		(6,776,124)
Provisions for liabilities	21		(1,193,572)
<b>Net liabilities</b>			<u><u>(1,442,764)</u></u>
<b>Capital and reserves</b>			
Called up share capital	22		1
Profit and loss account	23		(1,442,765)
			<u><u>(1,442,764)</u></u>

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

**S Gordon**  
Director



Date:

21/12/21

# Bistrot Pierre 1994 Limited

## Statement of Changes in Equity For the Period Ended 30 June 2021

	Called up share capital	Profit and loss account	Total
	£	£	£
<b>Balance at 25 June 2020</b>	-	-	-
<b>Period ended 30 June 2021</b>			
Loss and total comprehensive income for the period	-	(1,442,765)	(1,442,765)
Transactions with owners:			
Issue of share capital (note 22)	1	-	1
<b>Balance at 30 June 2021</b>	<u>1</u>	<u>(1,442,765)</u>	<u>(1,442,764)</u>

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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### 1. General information

Bistrot Pierre 1994 Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the Directors' Report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", including the adoption of the amendments issued in December 2017, ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 2.2 Going concern

The directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks and having considered the impact of a severe but plausible downside scenario for COVID-19.

The base company sales forecast assumes that all restaurants are able to continue to trade but sales levels are negatively impacted by suppressed demand during the winter months compared to the same normal trading period in 2019. In a severe but plausible downside scenario, it is assumed that a further Government imposed month long period of lockdown is instigated. In this downside scenario, creditors are still able to be paid to terms without the need for additional funding.

Capital repayments of the bank debt are due to commence in September 2022 and these have been factored into the forecasts. The directors have reviewed the bank covenants in the forecast period and concluded that there is adequate headroom in place.

Based on these projections the directors consider that the company is well placed to manage its business risks satisfactorily and have a reasonable expectation that the company will have adequate resources to meet its liabilities as they fall due for at least 12 months from the signing date of these consolidated financial statements.

The company has net current liabilities of £3,096,074 at the year end. The Directors have obtained a support letter from the Directors of Baisley Midco Limited in respect of the £2.8m intercompany creditor owed to Baisley Midco Limited. The letter confirms this balance will not be requested to be paid in the 12 months following the approval of the accounts.

They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

# **Bistrot Pierre 1994 Limited**

## **Notes to the Financial Statements For the Period Ended 30 June 2021**

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### **2.3 Financial reporting standard 102 - reduced disclosure exemptions**

The 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 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; and
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Baisley Topco Limited. These consolidated financial statements are available from its registered office Milton Chambers, 19 Milton Street, Nottingham, NG1 3EU.

#### **Group reporting**

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.

#### **Reporting period**

These are the first set of financial statements for the company which cover the period from incorporation on 25 June 2020 to 30 June 2021, although the company did not commence trading until 14 July 2020. There are no comparative figures.

### **2.4 Turnover**

The whole of turnover is derived from the principal activities of restaurant, hotel and bar management. Turnover is recognised on provision of goods and services, net of trade discounts and value added tax.

### **2.5 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

### **2.6 Finance costs**

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

# **Bistrot Pierre 1994 Limited**

## **Notes to the Financial Statements For the Period Ended 30 June 2021**

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### **2.7 Intangible fixed assets - Goodwill**

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible assets acquired separately from a business combination are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Brands: 15 years straight line

Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised within 'administrative expenses' in the statement of comprehensive income.

# **Bistrot Pierre 1994 Limited**

## **Notes to the Financial Statements For the Period Ended 30 June 2021**

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### **2.8 Tangible fixed assets**

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Short-term leasehold property	- Straight line over the life of the lease
Plant and machinery	- 25% straight line
Fixtures and fittings	- 25% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

### **2.9 Impairment of fixed assets**

Assets that are subject to depreciation or amortisation are assessed at each statement of financial position date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGUs) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

# **Bistrot Pierre 1994 Limited**

## **Notes to the Financial Statements For the Period Ended 30 June 2021**

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### **2.10 Stocks**

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

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

### **2.11 Debtors**

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

### **2.12 Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

### **2.13 Financial instruments**

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

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

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

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

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

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

# **Bistrot Pierre 1994 Limited**

## **Notes to the Financial Statements For the Period Ended 30 June 2021**

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### **2.14 Creditors**

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

### **2.15 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 assets fair value 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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **2.16 Pensions**

#### **Defined contribution pension plans**

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

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plans are held separately from the company in independently administered funds.

### **2.17 Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.



# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

### 2.18 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.

### 2.19 Government grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

#### *Coronavirus Job Retention Scheme ("CJRS")*

Under this scheme, HMRC will reimburse up to 80% of the wages of certain employees who have been asked to stop working, but who are being kept on the payroll ("furloughed"). The scheme is designed to compensate for staff costs, so amounts received are recognised in the income statement over the same period as the costs to which they relate. Income relating to CJRS has been recognised in other operating income in the income statement.

#### *Eat Out to Help Out*

Throughout August 2020, HMRC offered a 50% discount of food and non-alcoholic drinks, capped to £10 per person, when dining out between Monday and Wednesday. Revenue includes amounts reimbursed from HMRC in respect of the scheme.

#### *Business rates and Coronavirus additional restrictions grants*

Businesses in the retail, hospitality and leisure sectors in England do not have to pay business rates for the 2020 to 2021 tax year. No restaurant related business rate charge has therefore been recognised in the income statement for the period ended 30 June 2021. Income relating to the additional restrictions grants has been recognised within other operating income in the income statement.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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### 2.20 Exceptional items

Non-recurring administrative represent exceptional, one-off or non-recurring items of income or expenditure which because of their nature and the events giving rise to them merit separate presentation in the income statement to allow shareholders to better understand the elements of financial performance in the year, facilitate comparison with prior years and assess more accurately trends in financial performance.

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

In the application of the company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimate and 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.

Other key sources of estimation uncertainty

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives of the related assets taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The carrying value of fixed assets is reviewed annually for impairment taking into account the current trading performance and anticipated future cash flows to assess whether there is any indication of impairment. In assessing forecasted cash flows, past performance will often be taken as the best available guide, unless it is known that circumstances surrounding a particular site have changed. These future cash flows are then discounted, using the company's cost of capital. As a result of the estimates involved, the actual impairment required in the future may differ from the charge made in the financial statements.

- Brand valuation

Brand valuations are initially recognised at fair value. Determining the fair value requires an estimation of the future cash flows expected to arise from the brand using a suitable discount rate in order to calculate present value. The brand intangible asset is depreciated over its useful life which was estimated at the date of recognising the brand intangible asset. The life of the brand intangible asset is considered on an annual basis by taking account of the performance of the business in comparison to expectations at the time the brand valuation was recognised in the financial statements.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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### 4. Turnover

The entire turnover is derived from the principal activities of restaurant, hotel and bar management.

All turnover arose within the United Kingdom.

5. Exceptional items	2021 £
Cost of sales	
Adjustment to stocks	<u>306,179</u>
Administrative expenses	
Consultancy costs	(176,509)
Directors' costs	(139,725)
	<u>(316,234)</u>

Adjustment to stocks relates to an uplift in stocks recognised on acquisition.

Consultancy costs relates to professional fees incurred during the acquisition.

Directors' costs relate to wages and salaries and redundancy costs incurred during the period.

6. Other operating income	2021 £
Government grant – Coronavirus Job Retention Scheme	3,192,422
Government grant – Business Grant	703,871
	<u>3,896,293</u>

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 7. Operating (loss)/profit

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

	2021 £
Depreciation of owned tangible fixed assets	201,243
Depreciation of leased tangible fixed assets	2,760
Amortisation of intangible assets	728,367
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	60,000
Operating lease rentals	2,035,552
Government grants (note 6)	<u>(3,896,293)</u>

### 8. Employees

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

	2021 £
Wages and salaries	9,489,835
Social security costs	653,364
Pension costs	146,584
	<u>10,289,783</u>

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

	2021 No.
Administration	26
Restaurant, bar and hotel	644
	<u>670</u>

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 9. Directors' remuneration

	2021 £
Remuneration for qualifying services	540,554
Company contributions to defined contribution pension schemes	2,520
	<u>543,074</u>

The highest paid director received remuneration of £305,237.

The value of the company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £Nil.

The directors are considered to be the key management personnel of the company and their remuneration is shown above, and in addition there are employer's national insurance contributions of £68,530.

### 10. Interest payable and similar expenses

	2021 £
Bank loan interest payable	268,137
Amortisation of bank loan fees capitalised	30,865
	<u>299,002</u>

### 11. Taxation

	2021 £
<b>Corporation tax</b>	
Current tax	-
Total current tax	<u>-</u>
<b>Deferred tax</b>	
Origination and reversal of timing differences	406,835
Total deferred tax	<u>406,835</u>
<b>Total tax charge</b>	<u>406,835</u>

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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### Factors affecting tax charge for the year

The total tax credit for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2021 £
Loss on ordinary activities before tax	<u>(1,849,600)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%.	(351,424)
<b>Effects of:</b>	
Deferred tax on business combinations	406,835
Fixed asset differences	248,570
Deferred tax not recognised	134,686
Expenses not deductible for tax purposes	493
Remeasurement of deferred tax for change in tax rates	(32,325)
Total tax charge for the year	<u>406,835</u>

### Factors that may affect future tax charges

Following the March 2021 budget, legislation had been substantively enacted before the year end date for the main rate of corporation tax to increase from 19% to 25% from 1 April 2023. The deferred tax balances within these financial statements have therefore been recalculated to reflect the rate increasing to 25%.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 12 Intangible fixed assets

	Goodwill £	Brand £	Trademark £	Total £
<b>Cost</b>				
Additions from business combinations	3,595,065	5,800,000	5	9,395,070
At 30 June 2021	3,595,065	5,800,000	5	9,395,070
<b>Amortisation and impairment</b>				
Amortisation charged for the period	355,467	372,895	5	728,367
At 30 June 2021	355,467	372,895	5	728,367
<b>Carrying amount</b>				
At 30 June 2021	3,239,598	5,427,105	-	8,666,703

The brand and trademark intangible asset represents the value attributed to certain brands and trademarks at acquisition. This value is separable and arise from existing legal and contractual rights, and the company has elected to recognise this separately from goodwill.

Included within brand are assets with a carrying value of £5,427,105 which have a remaining useful economic life of 14 years.

Amortisation charges for the period are included within administrative expenses in the statement of comprehensive income.

The details of the acquisition in the period are given in note 14.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 13 Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>				
Additions	157,695	163,860	194,731	516,286
Additions from business combinations	-	527,000	134,000	661,000
Disposals	-	(13,000)	(5,000)	(18,000)
At 30 June 2021	157,695	677,860	323,731	1,159,286
<b>Amortisation and impairment</b>				
Depreciation charged for the period	6,890	143,004	54,110	204,003
Eliminated in respect of disposals	-	(737)	(284)	(1,080)
At 30 June 2021	6,890	142,267	53,826	202,983
<b>Carrying amount</b>				
At 30 June 2021	150,805	535,593	269,905	956,303

The details of the acquisition in the period are given in note 14.

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

	2021 £
Plant and machinery	<u>11,530</u>



# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 14 Acquisition

On 14 July 2020 the company acquired certain trade and assets, from the administrators, of Le Bistrot Pierre Limited for a consideration of £7,626,398.

	Book Value £	Adjustments £	Fair Value £
<b>Net assets acquired</b>			
Intangible assets	5	5,800,000	5,800,005
Property, plant and equipment	95,282	565,718	661,000
Inventories	10,000	47,250	57,250
Cash and cash equivalents	-	369	369
Trade and other payables	-	(886,884)	(886,884)
Deferred tax	-	(1,600,407)	(1,600,407)
Total identifiable net assets	<u>105,287</u>	<u>3,926,046</u>	<u>4,031,333</u>
Goodwill			3,595,065
Total consideration			<u>7,626,398</u>
The consideration was satisfied by:			£
Cash			7,480,000
Transaction costs			146,398
			<u>7,626,398</u>

The adjustments to costs represent the fair value of separable intangible assets in relation to brands, the fair value of tangible assets (property, plant and equipment), the fair value of inventories and the deferred tax liability thereon.

The fair value adjustment of intangible assets relates to the recognition of the brand value.

The fair value adjustment of property, plant and equipment and inventories relates to an uplift in value following a third-party valuation.

The fair value adjustment of trade and other payables relates to the loyalty scheme, gift voucher scheme, holiday pay and pension.

The goodwill arising on the acquisition of the business is attributable to the anticipated profitability of the company's activities because they do not meet the criteria for recognition as identifiable intangible assets.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 15. Stocks

	2021 £
Finished goods and goods for resale	<u>440,657</u>

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

### 16. Debtors

	2021 £
Trade debtors	125,094
Amounts owed by group undertakings	166,313
Other debtors	63,789
Prepayments and accrued income	348,116
	<u>703,312</u>

### 17. Creditors: Amounts falling due within one year

	2021 £
Bank loan payable	277,918
Trade creditors	1,780,844
Amounts owed to group undertakings	2,894,000
Other taxation and social security	1,769,211
Obligations under finance lease	2,928
Other creditors	337,387
Accruals and deferred income	1,521,927
	<u>8,584,215</u>

The bank loan payable is detailed in note 19 and net obligations under finance leases is detailed in note 20.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 18. Creditors: Amounts falling due after more than one year

	2021 £
Bank loan payable	6,767,950
Obligations under finance leases	8,174
	<u>6,776,124</u>

### 19. Bank loan

Analysis of the maturity of loans is given below:

	2021 £
<b>Amounts falling due within one year</b>	
Bank loan	277,918
<b>Amounts falling due 2-5 years</b>	
Bank loan	6,767,950
	<u>7,045,868</u>

On 14 July 2020 the company obtained a loan of £7,000,000 from National Westminster Bank Plc. Interest on the loan is charged at LIBOR plus 3.75% and the loan is repayable on 13 July 2024. The loan is secured by a fixed and floating charge over the assets of the company.

Debt issue costs of £113,035 have been capitalised in the period and off-set against the carrying value of the loan in these financial statements. £30,867 of these fees have been amortised in the period leaving £82,168 of debt issue costs being carried forward at 30 June 2021.

### 20. Finance lease obligations

Future minimum payments under hire finance leases:

	2021 £
Within one year	2,928
Between 1-5 years	8,174
	<u>11,102</u>

The net obligations under finance leases are secured on the assets to which they relate.

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

### 21. Provision for liabilities - deferred taxation

	2021 £
Acquired on business combination	(1,600,407)
Credited/(charged) to profit or loss	406,835
<b>At end of year</b>	<b><u>(1,193,572)</u></b>

The provision for deferred taxation is made up as follows:

	2021 £
Fixed asset timing differences	709,730
Short term timing differences	(337,211)
Losses and other deductions	(1,566,091)
	<b><u>(1,193,572)</u></b>

### 22. Share capital

	2021 £
<b>Allotted, called up and fully paid</b>	
1 ordinary share of £1.00 each	<u>1</u>

On 25 June 2020, 1 ordinary share was issued for a total consideration of £1.00.

The shares have attached to them full voting dividend and capital distribution rights. They do not confer any rights of redemption.

### 23. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Profit and loss account

The profit and loss account represents cumulative profits and losses, net of any dividends and other adjustments.

# Bistrot Pierre 1994 Limited

## Notes to the Financial Statements For the Period Ended 30 June 2021

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### 24. Pension commitments

The company operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the funds and amounted to £146,584. Contributions totalling £73,393 were payable to the funds at the statement of financial position date and are included in creditors.

### 25. Commitments under operating leases

At 30 June 2021 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £
Not later than 1 year	1,860,805
Later than 1 year and not later than 5 years	7,441,168
Later than 5 years	21,170,494
	<u>30,472,468</u>

### 26. Related party transactions

During the year professional fees of £10,539 were paid to Livingbridge Enterprise GP Limited a company that is a shareholder of Baisley Topco Limited, the parent company of Baisley Midco Limited. At 30 June 2021 an amount of £80,206 was outstanding.

### 27. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Baisley Midco 2 Limited, its immediate parent company, which is incorporated within the United Kingdom.

Baisley Topco Limited is the ultimate parent company and is the smallest and largest group which prepares group financial statements which include the results of the company. The consolidated accounts of Baisley Topco Limited are available from its registered office Milton Chambers, 19 Milton Street, Nottingham, NG1 3EU.

In the opinion of the directors, there is no ultimate controlling party.