

## Caprice Holdings Limited

Annual Report and Financial Statements

52 Weeks Ended

1 January 2023

Company Number 01661349



# Caprice Holdings Limited

## Company Information

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<b>Directors</b>	R A Caring T Hughes B S Townsley G M R Jones C J Robinson P Caring
<b>Company secretary</b>	C J Robinson
<b>Registered number</b>	01661349
<b>Registered office</b>	26-28 Conway Street London W1T 6BQ
<b>Independent auditor</b>	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB

# Caprice Holdings Limited

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# Caprice Holdings Limited

## Strategic Report for the Period Ended 1 January 2023

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The directors present their Strategic Report together with the audited financial statements for the 52 weeks ended 1 January 2023.

### Principal activities, review of business and future developments

The principal activity of the company is the operation of restaurants and a members' club.

The turnover for the period was £74m (2 January 2022 - £43m), an increase of 71% driven by a full year of trading of all restaurants and the club. The company also opened two new restaurants during the year, Scotts Richmond in September and Bacchanalia in November.

Adjusted earnings for the continuing business before interest, taxation, depreciation, amortisation and exceptional costs ("Adjusted EBITDA") was £12.3m (2 January 2022 restated – £0.6m). In unprecedented conditions, the directors consider the result to be a satisfactory performance.

### Key performance indicators

The directors monitor the performance of the business through a number of key performance indicators which are reported on a daily, weekly and monthly basis. The principal financial measures are turnover, gross profit margin, wage cost % and adjusted EBITDA conversion. Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, loss/profit on disposal of tangible fixed assets, impairments, site pre-opening costs, exchange gains/losses and other exceptional items. These KPI's are discussed regularly across the business, whilst other financial reporting measures such as average spend per head and return on investment are discussed with the relevant teams.

Other non-financial measures that are regularly reviewed include cover numbers, mystery diner scores, reputation benchmarking and health and safety audit scores, for which we use specialist third party providers to provide us with a robust and independent challenge. These measures are reviewed in detail by the directors and the executive team to ensure that they are understood and, where necessary, that informed measures are taken in order to improve them.

Achievement of these KPIs, both financial and non-financial, is directly linked to executive pay and reward through our balanced scorecard methodology.

The directors regularly review relationships with suppliers, product mix, monitoring systems used by the business and the training provided to our teams to ensure the business is delivering the best food and service possible. We have a comprehensive people structure to ensure that our site-based staff have clear lines of support, whilst giving the executive team a clear and timely understanding of the performance of each of our restaurants.

	52 weeks ended 1 January 2023	52 weeks ended 2 January 2022
Turnover	74.3	43.4
Gross profit margin	77.0%	78.7%
Labour %	35.7%	33.7%
Adjusted EBITDA	12.3	0.6

# Caprice Holdings Limited

## Strategic Report (continued) for the Period Ended 1 January 2023

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### Principal risks and uncertainties

The principal risks faced by the business, both internal and external, are constantly monitored by the directors and the operational management team. As the business evolves, we are constantly implementing new risk management processes to help us identify, monitor and measure risks as they emerge. This ensures that the Board is able to undertake appropriate actions in a timely manner. The following matters are considered by the directors to be the principal risks:

- The current state of the UK economy and general consumer sentiment and uncertainty: The UK economy suffered significantly as a result of the Covid pandemic and has subsequently been impacted by both the Ukraine war and record inflation. This has led to increases in most cost bases across the industry and could impact the frequency and level of spending by patrons.
- War in Ukraine: During the year Russia invaded Ukraine resulting in further financial instability globally, particularly across gas and other energy prices. As a business, we have taken steps to reduce our energy use where necessary to avoid excessive costs. This entailed producing more detailed energy consumption reports and giving our sites more visibility into their usage patterns to limit excessive consumption.
- Brand reputation and competitive environment: The principal risk to our business is any impairment to our reputation as a high-quality dining establishment. The company operates in a fiercely competitive sector, as evidenced by the financial difficulties that have hit many brands, and therefore the consistency and quality of service and product is paramount. To ensure this is managed, senior management continually review KPI results reflecting standards of customer service and food quality in order to ensure reputation is maintained and the business remains a leader in the market.
- Recruitment and retention of key staff: As the business grows, we need to ensure that we both recruit and retain the right team members with the appropriate skills. The directors continue to review the company's schemes to aid recruitment and retention, and we place a great emphasis on the welfare and development of all our staff. We continued to invest in The Ivy Academy, a bespoke, rigorous induction training programme, which new staff are required to attend, to support on the job training and ensure team members understand the nuances of our service and can perform their roles confidently.
- Liquidity risk: the company and wider group monitors cash flow as part of its day-to-day control procedures and ensures that appropriate funding is available.
- Financing and Treasury: Access to capital is key to the financial success of our business, and to ensure we are able to meet our obligations as they fall due. The long term, trusted relationship with our company's lenders is key, which is strengthened further by the commitment from Mr R A Caring to continue financial support for a period of at least twelve months from the date of these financial statements.

The directors remain positive and believe that our differentiated offer will enable us to remain highly competitive as we expand our footprint, and in the confidence that we will continue to deliver a profitable, yet high quality, experience. This report was approved by the board and signed on its behalf.

### Section 172 statement

The directors define the successful running of the company in terms of achieving its long-term growth strategy, which centres around building a sustainable, profitable business which has brand reputation at its heart. The success of the company centres around positive and effective dealings with all the stakeholders of the company and the directors were mindful of the long-term consequences of key commercial decisions made during the year and determined that these were in the interests of the company's employees, suppliers, customers and other stakeholders, as they were all aligned to the company's growth strategy.

The company's success depends on it maintaining a reputation for high standards of business conduct with

# Caprice Holdings Limited

## Strategic Report (continued) for the Period Ended 1 January 2023

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### Section 172 statement (continued)

customers and other stakeholders, whether in relation to specific community issues whenever a new restaurant is opened, or with regards to environmental issues such as food packaging and minimising the production of waste.

The principal decisions made in the year were:

- Operational:
  - To proceed with openings of Scotts Richmond in September and Bacchanalia in November.
- Financing:
  - During the year, the company remained a guarantor to a £220m revolving credit facility and term loan

### *Our Stakeholders*

The directors consider that the following groups are the company's key stakeholders:

- Employees
- Customers
- Shareholders
- Suppliers

The Directors seek to understand the respective interest of such stakeholder groups so that they can be properly considered in their decisions.

### *Employees*

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

### *Customers*

Our customers are key to the continued existence and growth of the business. The directors regularly review the product mix, monitoring systems used by the business and the training provided to our teams to ensure the business is delivering the best food and service possible to our customers.

### *Shareholders*

Our shareholders rely on us to manage their investment in a responsible and sustainable way to generate value for them. The directors are in regular contact with the shareholders and keep them informed on all operations and developments.

# Caprice Holdings Limited

## Strategic Report (continued) for the Period Ended 1 January 2023

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### Section 172 statement (continued)

#### *Suppliers*

The company regularly engages with its suppliers to maintain these important relationships as we rely on them to provide us with high quality products in order to maintain our reputation as a high-quality dining establishment.

The directors confirm that throughout the year they have acted in the way that they consider, in good faith, to be most likely to promote the success of the company and for the benefit of its members as a whole



**C J Robinson**  
Director

Date: 1 June 2023

# Caprice Holdings Limited

## Directors' Report For the 52 Weeks Ended 1 January 2023

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The directors present their report and the financial statements for the 52 weeks ended 1 January 2023.

### Results and dividends

The profit for the period, after taxation, amounted to £840k (2 January 2022 restated - loss of £4,096).

Final dividends of £Nil per share in relation to the period ended 1 January 2023 were paid to ordinary shareholders during the year (2 January 2022 - £Nil per share paid in relation to the period ended 2 January 2022).

### Directors

The directors who served during the period were:

R A Caring	
T Hughes	
B S Townsley	
G M R Jones	(Appointed 9 August 2022)
H Afzal	(Appointed 16 August 2022, resigned 13 December 2022)
C J Robinson	(Resigned 16 August 2022, appointed 15 December 2022)
P Caring	(Appointed 21 March 2023)

### Employee involvement

The company plans considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees on the various factors affecting the performance of the company. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

The company regularly consults with employees on matters such as the performance of the business, their rights and career development. Management are provided with performance reporting on a regular basis which they relay to all levels of staff in regular meetings.

### Disabled employees

It is the company's policy that all persons should be considered for employment training, career development and promotion on the basis of their abilities and aptitudes, regardless of physical ability, age, gender, sexual orientation, religion or ethnic origin.

Caprice Holdings Limited applied employment policies that are fair and equitable for all employees and these ensure that entry into, and progression within the company, are determined solely by application of job criteria and personal ability and competency.

Full and fair consideration, having regard to the person's particular aptitudes and abilities, is given to applications for employment and the career development of disabled persons. Caprice Holdings Limited's training and development policies also make it clear that it will take all steps practicable to ensure that employees who become disabled during the time they are employed by the company are able to remain employed by the company.

### Engagement with suppliers, customers and others

The directors engage with all stakeholders to ensure they foster the company's business relationships with suppliers, customers, and other stakeholders. We seek to choose the best products to meet our customers' expectations when dining with us, whilst we develop long term relationships with our suppliers who are providing us with these products. With supply chain challenges across several sectors, we have been working closely with suppliers to understand where certain goods or services cannot be provided timely, or to usual specifications, to



# Caprice Holdings Limited

## Directors' Report (continued) For the 52 Weeks Ended 1 January 2023

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### Engagement with suppliers, customers and others (continued)

ensure we can obtain from alternative suppliers to avoid any operational disruption.

### Matters covered in the strategic report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and reports) Regulation 2008, certain matters which are required to be disclosed in the director's report have been omitted as they are included in the strategic report on pages 1 – 4. These are the principal activity of the company, the business review and further developments.

### Going concern

Going concern is discussed in more detail within the accounting policies. Given the recent extension to the facilities available to the banking group in which the Caprice Group, which includes this company, is a member, the ongoing commitment from its significant shareholder, and having assessed the financial forecasts that cover the going concern assessment period alongside possible mitigating actions, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the next 12 months from the date of approval of these accounts.

Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### 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 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 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.

### Auditor

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

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



**C J Robinson**  
Director

Date: 1 June 2023

# Caprice Holdings Limited

## Directors' Responsibilities Statement For the 52 Weeks Ended 1 January 2023

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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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

# Caprice Holdings Limited

## Independent Auditor's Report to the Members of Caprice Holdings Limited

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### Opinion

We have audited the financial statements of Caprice Holdings Limited (the 'company') for the year ended 1 January 2023 which comprise 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 1 January 2023 and of its profit for the year 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.

# Caprice Holdings Limited

## Independent Auditor's Report to the Members of Caprice Holdings Limited (continued)

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We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 set out on page 7, 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.

# Caprice Holdings Limited

## Independent Auditor's Report to the Members of Caprice Holdings Limited (continued)

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.

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.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are 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 tax computations. Inspecting correspondence with external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are as follows:

<b>Legislation / Regulation</b>	<b>Audit procedures performed by the audit engagement team included:</b>
<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 obtained and reviewed third party audit reports in respect of hygiene regulations. We held discussions with management to confirm whether there had been any reported significant breaches in respect of food safety.

The audit engagement team identified the following areas where the financial statements were most susceptible to material misstatement due to fraud:

<b>Risk</b>	<b>Audit procedures performed by the audit engagement team included:</b>
<b>Revenue valuation, existence and cut off</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.

# Caprice Holdings Limited

## Independent Auditor's Report to the Members of Caprice Holdings Limited (continued)

<b>Management</b>		Testing the appropriateness of journal entries and other adjustments.
<b>override</b>	<b>of</b>	Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
<b>controls</b>		Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

### Use of our report

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

*Paul Newman*

PAUL NEWMAN (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

Date: 1 June 2023

# Caprice Holdings Limited

## Statement of Comprehensive Income For the 52 Weeks Ended 1 January 2023

	Note	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000 (As restated)
Turnover	4	74,364	43,386
Cost of sales		<u>(17,086)</u>	<u>(9,230)</u>
<b>Gross profit</b>		<b>57,278</b>	<b>34,156</b>
Administrative expenses		(56,585)	(41,371)
Other operating income	6	125	2,797
<b>Adjusted EBITDA*</b>		<b>12,253</b>	<b>577</b>
Depreciation	13	(2,677)	(2,057)
Amortisation	12,15	(768)	(754)
Exceptional items	5	(9,024)	(2,184)
Foreign exchange		1,034	-
<b>Operating profit/(loss)</b>	7	<b>818</b>	<b>(4,418)</b>
Interest receivable and similar income		391	593
Interest payable and similar charges		<u>(57)</u>	<u>(48)</u>
<b>Profit/(Loss) before tax</b>		<b>1,152</b>	<b>(3,873)</b>
Taxation on profit/(loss)	10	<u>(312)</u>	<u>(223)</u>
<b>Profit/(loss) after taxation and total comprehensive profit/(loss) for the period</b>		<b>840</b>	<b>(4,096)</b>

\*Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, site pre-opening costs, abortive site costs, exchange gains/losses and other exceptional items.

There was no other comprehensive income for the 52 weeks ended 1 Jan 2023 (52 weeks ended 2 Jan 2022 - £nil).

The notes on pages 15 to 37 form part of these financial statements.

# Caprice Holdings Limited

Registered number: 01661349

## Statement of Financial Position As at 1 January 2023

	Note	1 January 2023 £'000	1 January 2023 £'000	2 January 2022 £'000 (As restated)	2 January 2022 £'000 (As restated)
<b>Fixed Assets</b>					
Intangible assets	12		183		185
Tangible assets	13		86,211		39,847
Investments	14		522		522
Property lease premiums	15		748		1,451
			<u>87,664</u>		<u>42,005</u>
<b>Current assets</b>					
Property lease premiums	15	702		702	
Stocks	16	4,639		2,263	
Debtors: amounts falling due within one year	17	86,148		76,743	
Cash at bank and in hand		<u>16,284</u>		<u>930</u>	
		<u>107,773</u>		<u>80,638</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	18	<u>(143,113)</u>		<u>(71,211)</u>	
<b>Net current (liabilities)/assets</b>			<u>(35,340)</u>		<u>9,427</u>
<b>Total assets less current liabilities</b>			<u>52,324</u>		<u>51,432</u>
Creditors: amounts falling after more than one year	19		-		(313)
<b>Provisions for liabilities</b>					
Deferred tax	20		<u>(2,376)</u>		<u>(2,011)</u>
<b>Net assets</b>			<u>49,948</u>		<u>49,108</u>
<b>Capital and reserves</b>					
Called up share capital	21		106		106
Profit and loss account	22		<u>49,842</u>		<u>49,002</u>
<b>Total equity</b>			<u>49,948</u>		<u>49,108</u>

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



**C J Robinson**  
Director

Date: 1 June 2023

The notes on pages 15 to 37 form part of these financial statements.



# Caprice Holdings Limited

## Statement of Changes in Equity For the 52 Weeks Ended 1 January 2023

	Called up share capital	Profit and loss account	Total equity
	£'000	£'000	£'000
At 2 January 2022 (restated)	106	49,002	49,108
<b>Comprehensive income for the period</b>			
Profit for the period	-	840	840
Total comprehensive income for the period	-	840	840
At 1 January 2023	106	49,842	49,948

## Statement of Changes in Equity For the 52 Weeks Ended 2 January 2022 (as restated)

	Called up share capital	Profit and loss account	Total equity
	£'000	£'000	£'000
At 4 January 2021	106	53,098	53,204
<b>Comprehensive loss for the period</b>			
Loss for the period (as previously reported)	-	(2,959)	(2,959)
Prior Year restatement	-	(1,137)	(1,137)
Total comprehensive loss for the period (restated)	-	(4,096)	(4,096)
At 2 January 2022 (restated)	106	49,002	49,108

The notes on pages 15 to 37 form part of these financial statements.

# Caprice Holdings Limited

## Notes to the Financial Statements For the 52 Weeks Ended 1 January 2023

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### 1. General information

Caprice Holdings Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office can be found on the Company Information page and the nature of the company's operations and its principal activities are set out in the Strategic Report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The financial statements are presented in sterling which is also the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £1,000, except where otherwise indicated.

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of CH Acquisition Limited as at 1 January 2023 and these financial statements may be obtained from the registered office.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.3 Going concern

C H Acquisition Limited and its subsidiary undertakings ("Caprice Group") are joint borrowers with MBH Group UK Limited ("MBH Group") and Troia (UK) Restaurants Limited under a two-year term loan and revolving credit facility agreement that expires on 29 April 2024 with an option to extend for a further year with the agreement of both the lenders and the borrowers. In December 2022, the facilities were extended to reflect a term loan commitment of £120 million and revolving credit facility commitment of £100 million. The covenants attached to the bank facilities are tested quarterly. All companies are under the common control of Mr R Caring.

During the year, these bank facilities were consolidated into one legal entity, MBH Group, via inter-company transfers with ongoing funding for the Caprice Group's day-to-day working capital and new site capex budgets now being provided by MBH Group through drawdowns available under the bank facilities. As such, the directors have received an undertaking from MBH Group that it will not seek repayment of any inter-company indebtedness due from the Caprice Group and that it will provide the necessary financial support to enable the Caprice Group to continue to trade and meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements for the period ended 01 January 2023.

In assessing the ability of the Caprice Group to continue as a going concern, the directors have prepared and considered trading and cash flow forecasts ("base case forecasts") covering the going concern assessment period through to 30 April 2024. These forecasts include companies in the Caprice Group as well as all businesses of the joint borrowers within the wider banking group (together the "banking group") and demonstrate compliance with bank covenants which are set at a banking group level.

In addition, the directors have also considered sensitivities to the base case forecasts including, but not limited to, the impact of a reduction in forecast sales due to the cost-of-living crisis impacting customer spend alongside changes in capex budgets and do not consider any reasonable change in assumptions would give rise to liquidity issues or covenant breaches. Capex investment in new sites is discretionary in nature and could be slowed if funding could not be secured on acceptable terms by either an increase in bank facilities or additional shareholder support. The Caprice Group is fortunate to benefit from a supportive banking group and its significant shareholder, Mr R Caring, who has provided a letter of undertaking indicating that he would be willing to support the Caprice Group should cash funding be required that wasn't available through increasing existing or new bank facilities.

Having assessed the financial forecasts and possible mitigating actions, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the next 12 months from the date of approval of these accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.4 Turnover

Turnover represents sales to external customers and licence fees receivable, less value added tax or local taxes on sales. Turnover from the sale of food and drink is recognised on the day the sale occurs.

##### Franchise Income

Upfront franchise fees and ongoing service fees arising from outside the United Kingdom are recognised under the terms of the relevant franchise agreements. Typically, upfront development fees granting the rights to open a restaurant in a particular jurisdiction are non-refundable, no element of the fee relates to subsequent services and is recognised as turnover when the initial obligations have been substantially completed. Restaurant opening fees are recognised on the opening date of a restaurant and ongoing service fees representing a set percentage of a restaurant's weekly sales are recognised on an accruals basis.

##### Subscriptions

Subscriptions received are credited to the Statement of Comprehensive Income on an accruals basis. The proportion of subscriptions treated as unearned is carried forward at the Statement of Financial Position date and credited to the Statement of Comprehensive Income in the following year. Life memberships are credited to the Statement of Comprehensive Income over a ten year period. Subscriptions are not repayable under any circumstances.

#### 2.5 Intangible assets

##### Goodwill

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised on a straight-line basis to the consolidated statement of comprehensive income over its useful economic life of 20 years, being the average unexpired lease term of the acquired restaurants as, in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

The profit or loss on disposal of any business includes any attributable goodwill arising on previous acquisitions.

##### Other intangible assets- trademarks

Trademarks are initially recognised in the Statement of Financial Position at cost. The trademarks are amortised over their estimated useful life which shall not exceed 5 years.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 2. Accounting policies (continued)

#### 2.6 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives.

The estimated useful lives range as follows:

Leasehold improvements	-	over the term of the lease
Plant and machinery	-	5 - 10 years
Motor vehicles	-	5 - 10 years
Fixtures, fittings and equipment	-	5 - 10 years

Assets under construction are not depreciated until the assets are available for use.

Works of art are not depreciated since the directors consider that their residual value is at least equal to the original cost.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

#### 2.7 Impairment of fixed assets and goodwill

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

#### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.9 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 reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.10 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.

#### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### 2.12 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in 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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an outright short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

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 reporting date.

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

#### 2.13 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.

#### 2.14 Long-term incentive plans

Amounts payable under long term incentive plans are recognised as a liability to account for the estimated amount to be paid out at the end of the vesting period and includes an assumption on staff turnover during the same period.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.15 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 expenses the related costs for which the grants are intended to compensate.

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

Under this scheme, HMRC reimbursed up to 80% of the wages of certain employees who had been asked to stop working but were kept on the payroll ("furloughed"). The scheme was designed to compensate for staff costs, so amounts received were recognised in the Income Statement over the same period as the costs to which they related. Income relating to CJRS was recognised in other operating income in the Income Statement.

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

Businesses in the retail, hospitality and leisure sectors in England did not have to pay business rates for the 2021 to 2022 tax year. Restaurant related business rates charges have therefore been recognised in the Income Statement for the remainder of the period. Income relating to the additional restriction grants has been recognised within other operating income in the Income Statement.

#### 2.16 Finance costs

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

#### 2.17 Dividends

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

#### 2.18 Property lease premiums

Property lease premiums are initially recognised at fair value at acquisition and subsequently measured at amortised cost and amortised over the term of the lease.

#### 2.19 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (29 December 2014) to continue to be charged over the period to the first market rent review rather than the term of the lease.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.20 Pensions

##### Defined contribution pension plan

The company operates a defined contribution pension plan 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

#### 2.21 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

#### 2.22 Dividend income

Equity dividends are recognised when they become legally receivable.

#### 2.23 Interest income

Interest income is recognised in profit or loss using the effective interest method.

#### 2.24 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.



# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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### 2. Accounting policies (continued)

#### 2.25 Adjusted EBITDA

We use this financial measure when planning, monitoring and evaluating our performance of the company. We consider this financial measure to be a useful metric for management to facilitate operating performance comparisons from period to period by excluding potential differences caused by variances in tax position, depreciation and amortisation and certain other expenses that we believe are not representative of our recurring business. We use this financial measure as a key operating metric for business planning purposes and in measuring performance.

##### *Site Pre-Opening Costs*

Site pre-opening costs represent costs incurred directly relating to the opening of new sites. These include costs associated with the acquisition, opening, conversion and initial set up of new and converted sites. These costs including rent, related overhead expenses and the cost of training new staff during the pre-opening phase. These costs are expensed in the Statement of Comprehensive Income in the period that they are incurred.

##### *Exceptional items*

Exceptional items are items of income or expense which because of their nature and the events giving rise to them are not directly related to the company's core operations and therefore merit separate presentation to allow the users of the financial statements to understand better the elements of financial performance in the period.

#### 2.26 Foreign currency

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Assets and liabilities of overseas subsidiaries (including goodwill and fair value adjustments in relation to overseas subsidiaries) are translated into the Company's presentation currency at the rate ruling at the reporting date. Income and expenses of overseas subsidiaries are translated at the average rate for the year as the directors consider this to be a reasonable approximation to the rate at the date of the transaction. Translation differences are recognised in other comprehensive income and accumulated in equity.

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

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

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

- Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 13) Tangible fixed assets are depreciated over their useful lives 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 re-assessing 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.

### 4. Turnover

Analysis of turnover by country of destination:

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
United Kingdom	74,364	43,386
	<u>74,364</u>	<u>43,386</u>

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

Analysis of turnover by class of business:

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
Restaurants	71,723	43,386
Franchise fees	1,627	-
Membership fees	1,014	-
	<u>74,364</u>	<u>43,386</u>

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 5. Exceptional items

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
Discontinued costs	481	28
Third party guarantor costs	-	1,329
Redundancy and related costs	-	655
Pre-opening costs	8,802	-
Stock write-off	-	20
COVID-19 health & safety training	-	152
Restructuring costs	(259)	-
	<u>9,024</u>	<u>2,184</u>

### 6. Other operating income

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
Rental income	125	-
Coronavirus Job Retention Scheme grant	-	2,797

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 7. Operating profit/(loss)

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

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
Depreciation of tangible fixed assets (note 13)	2,677	2,057
Amortisation of lease premium (note 15)	703	702
Amortisation of intangible assets (note 12)	65	52
Hire of plant and machinery - operating leases	-	106
Hire of other assets - operating leases	-	4,938
Fees payable to the company's auditor for the audit of the company's annual financial statements	120	3
Exceptional costs (note 5)	9,024	2,184
Exchange differences	(1,034)	(68)
	<hr/>	<hr/>

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 8. Employees

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

	52 weeks ended 1 January 2023	52 weeks ended 2 January 2022
	£'000	£'000
Wages and salaries	23,713	12,854
Social security costs	2,267	1,351
Cost of defined contribution scheme	550	403
	<u>26,530</u>	<u>14,608</u>

Included in wages and salaries are £1,863k (2 January 2022 - £525k) paid to agency staff and redundancy costs of £118k (2 January 2022 - £5k).

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

	52 weeks ended 1 January 2023	52 weeks ended 2 January 2022
	No.	No.
Directors	5	7
Restaurant and administration	817	570
	<u>822</u>	<u>577</u>

There was one director in the company's defined contribution scheme during the period (2 January 2022 - 2).

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 9. Directors' remuneration

	52 weeks ended 1 January 2023	52 weeks ended 2 January 2022
	£'000	£'000
Directors' emoluments	432	151
Company contributions to defined contribution pension schemes	6	3
	<u>438</u>	<u>154</u>

### 10. Taxation

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000 (As restated)
<b>Corporation tax</b>		
Current tax on profit/(loss) for the period	-	(380)
Adjustments in respect of previous periods	(53)	144
Group taxation relief	-	(52)
<b>Total current tax</b>	<u>(53)</u>	<u>(288)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	308	29
Adjustment in respect of previous periods	(39)	6
Effect of tax rate change on opening balance	96	476
<b>Total deferred tax</b>	<u>365</u>	<u>511</u>
<b>Taxation on (profit)/loss on ordinary activities</b>	<u>312</u>	<u>223</u>

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 10. Taxation (continued)

#### Factors affecting tax charge/(credit) for the period

The tax assessed for the period is higher than (2 January 2022 - higher than) the standard rate of corporation tax in the UK of 19% (2 January 2022 - 19%). The differences are explained below:

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000 (As Restated)
Profit/(Loss) on ordinary activities before tax	<u>1,152</u>	<u>(3,873)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2 January 2022 - 19%)	219	(736)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	88	14
Fixed asset differences	116	212
Group relief claimed	-	-
Payment for group relief	-	-
Adjustment in respect of prior periods (current)	(54)	360
Adjustments in respect of prior periods (deferred tax)	(39)	6
Other permanent differences	(115)	(116)
Tax rate differences	97	483
Income not taxable for tax purposes	<u>-</u>	<u>-</u>
<b>Total tax (credit)/charge for the period</b>	<u>312</u>	<u>223</u>

#### Factors that may affect future tax charges

The closing deferred tax provision has been calculated at 25% in accordance with the rates enacted at the balance sheet date.

The company has tax losses of £9,081k (02 January 2022: £3,031k) available to carry forward and offset future profits of the same trade. A deferred tax asset of £2,272k (02 January 2022: £577k) has been recognised in respect of these losses as set out in note 20.

From 1 April 2023, the main rate of corporation tax will increase to 25%, with a small profits rate of 19% for entities with profits under £50,000.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 11. Dividends

	52 weeks ended 1 January 2023 £'000	52 weeks ended 2 January 2022 £'000
<b>A ordinary</b>		
Final paid of £Nil (2 January 2022 - £Nil) per share	-	-
<b>B ordinary</b>		
Final paid of £Nil (2 January 2022 - £Nil) per share	-	-

### 12. Intangible assets

	Purchased goodwill £'000	Trademarks and other intangible assets £'000	Total £'000
<b>Cost</b>			
At 3 January 2022	2,418	764	3,182
Additions	-	63	63
Disposals	-	(419)	(419)
At 1 January 2023	2,418	408	2,826
<b>Amortisation</b>			
At 3 January 2022	2,418	579	2,997
Charge for the period	-	65	65
Disposals	-	(419)	(419)
At 1 January 2023	2,418	225	2,643
<b>Net book value</b>			
At 1 January 2023	-	183	183
At 2 January 2022	-	185	185



## Caprice Holdings Limited

Notes to the Financial Statements (continued)  
For the 52 Weeks Ended 1 January 2023

### 13. Tangible fixed assets

	Leasehold improvements £'000	Plant and machinery £'000	Motor vehicles £'000	Fixtures and equipment £'000	Artwork £'000	Assets under construction £'000	Total £'000
<b>Cost</b>							
At 3 January 2022	26,391	9,018	92	10,431	19,483	-	65,415
Additions	31,923	114	-	9,585	6,014	1,993	49,629
Disposals	(4,546)	(1,755)	-	(3,136)	-	-	(9,437)
At 1 January 2023	53,768	7,377	92	16,880	25,497	1,993	105,607
<b>Depreciation</b>							
At 3 January 2022	11,509	7,294	91	6,674	-	-	25,568
Charge for the period	1,188	410	1	1,078	-	-	2,677
Disposals	(3,941)	(1,755)	-	(3,153)	-	-	(8,849)
At 1 January 2023	8,756	5,949	92	4,599	-	-	19,396
<b>Net book value</b>							
At 1 January 2023	45,012	1,428	-	12,281	25,497	1,993	86,211
At 2 January 2022	14,882	1,724	1	3,757	19,483	-	39,847

The directors consider that the open market value of those works of art is in excess of the net book value of £25,498k.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 14. Fixed asset investments

	Group undertakings £'000
<b>Cost</b>	
At 3 January 2022	2,451
Investment in OMO Mykonos SA	-
At 1 January 2023	2,451
<b>Impairment</b>	
At 3 January 2022	1,929
At 1 January 2023	1,929
<b>Net book value</b>	
At 1 January 2023	522
At 2 January 2022	522

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the Statement of Financial Position.

### Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the period end is 20% or more are as follows:

Name	Class of share capital held	Proportion of share capital held	Principal activity
Food Etc Restaurants Limited	Ordinary	100%	Restaurant operator
Urban Productions Limited	Ordinary	100%	Events management
Caprice Events Limited	Ordinary	100%	Dormant
C/M Covent Garden Limited	Ordinary	75%	Restaurant operator

The registered address of the above subsidiary undertakings is 26-28 Conway Street, London, W1T 6BQ.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 15. Property lease premiums

	1 January 2023 £'000	2 January 2022 £'000
<b>Cost</b>		
Brought forward	5,328	5,070
Additions	-	258
<b>Carried forward</b>	<b>5,328</b>	<b>5,328</b>
<b>Amortisation</b>		
Brought forward	3,175	2,473
Charge for the period	703	702
<b>Carried forward</b>	<b>3,878</b>	<b>3,175</b>
<b>Net book value</b>		
Carried forward	1,450	2,153
<b>Analysed as</b>		
Current	702	702
Non-current	748	1,451
	<b>1,450</b>	<b>2,153</b>

### 16. Stocks

	1 January 2023 £'000	2 January 2022 £'000
Raw materials and consumables	4,639	2,263

An impairment loss of £Nil (2 January 2022 - £20k) was recognised in cost of sales against stock during the period due to slow-moving and obsolete stock.

There is no material difference between the replacement cost of stocks and the amounts stated above.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 17. Debtors: amounts falling due within one year

	1 January 2023 £'000	2 January 2022 £'000
Trade debtors	1,659	467
Amounts owed by group undertakings	50,395	52,724
Amounts owed by related parties	24,169	16,590
Other debtors	230	1,683
Directors' loans	3,546	2,258
Prepayments and accrued income	4,987	2,667
Corporation tax recoverable	1,162	354
	<b>86,148</b>	<b>76,743</b>

The impairment loss recognised in the Statement of Comprehensive Income in respect of bad and doubtful debtors was £405k (2 January 2022 - £585k).

Amounts owed by group undertakings and related parties bear no interest and are unsecured. They are repayable on demand and have therefore been disclosed as falling due within one year although settlement is not expected within 12 months of the balance sheet date.

### 18. Creditors: amounts falling due within one year

	1 January 2023 £'000	2 January 2022 £'000 (As restated)
Trade creditors	13,615	8,621
Amounts owed to group undertakings	5,097	1,559
Amounts owed to related parties	92,102	46,481
Other taxation and social security	6,567	1,383
Other creditors	13,685	2,092
Accruals and deferred income	12,047	11,075
	<b>143,113</b>	<b>71,211</b>

All amounts due are interest free, unsecured and repayable on demand. Other creditors include unamortised lease incentives and balances outstanding on company credit card. During the period, the company cancelled the long-term incentive plan and the brought forward provision was released to the Income Statement.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 19. Creditors: amounts falling due after more than one year

	1 January 2023 £'000	2 January 2022 £'000
Accruals and deferred income	-	313

### 20. Deferred taxation

	1 January 2023 £'000
At beginning of period	2,011
Charged to profit or loss	365
<b>At end of period</b>	<b>2,376</b>

The provision for deferred taxation is made up as follows:

	1 January 2023 £'000	2 January 2022 £'000
Capital allowance differences	4,725	2,619
Short term timing differences	(77)	(31)
Losses and other deductions	(2,272)	(577)
	<b>2,376</b>	<b>2,011</b>

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 21. Share capital

	1 January 2023 £'000	2 January 2022 £'000
<b>Allotted, called up and fully paid</b>		
100,000 - A ordinary shares of £1 each	100	100
2,881- B ordinary shares of £2 each	6	6
	<u>106</u>	<u>106</u>

The 'A' and 'B' ordinary shares rank pari passu except in respect of dividends, capital and share sale proceeds where the 'B' ordinary shareholders' interests are restricted to limited rights to income and capital from The Club at the Ivy business only.

### 22. 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 or losses, net of dividends paid and other adjustments.

### 23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme 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 fund and amounted to £550k (2 January 2022 - £403k). Contributions of £310k (2 January 2022 - £125k) were payable to the fund at the period end.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 24. Commitments under operating leases

At 1 January 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	1 January 2023 £'000	2 January 2022 £'000
<b>Land and buildings</b>		
Not later than 1 year	7,397	5,041
Later than 1 year and not later than 5 years	29,586	20,748
Later than 5 years	116,524	91,353
	<u>153,507</u>	<u>117,142</u>
	1 January 2023 £'000	2 January 2022 £'000
<b>Other</b>		
Not later than 1 year	-	32
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>32</u>

In addition, the company has annual commitments to pay an additional amount based on turnover.

### 25. Related party transactions

During the period, the company entered into transactions with companies incorporated in the United Kingdom under common control by an ultimate beneficial owner, for goods and services provided or received totalling a net cost of £3,426k (2 January 2022 - a net income of £2,251k). A total net balance of £67,933k was payable by the company at the balance sheet date (2 January 2022 - £29,891k).

The directors' loan balance due to R A Caring was £3,546k at the period end (2 January 2022 - £2,258k).

Other than noted above, the movements in relation to the above balances, which are all non-interest bearing, relate to funding provided.

# Caprice Holdings Limited

## Notes to the Financial Statements (continued) For the 52 Weeks Ended 1 January 2023

### 26. Ultimate parent company and parent undertaking of larger group

R Caring, who has a controlling stake in the shares of Continental Partners International Limited, a company incorporated in the British Virgin Islands and the company's ultimate parent company, is the company's ultimate controlling party.

The largest and smallest group in which the results of the company are consolidated is that headed by CH Acquisition Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from the registered office. No other group accounts include the results of the company.

### 27. Correction of material error in prior year

In the year ended 2 January 2022 the company omitted rent free provision costs.

The comparative figures in the primary statements and notes have been restated to reflect the prior period error.

The error resulted in a material understatement of current liabilities and retained earnings..

The effects of the prior period error are summarised below:

	2 January 2022 £'000
<b>Statement of Comprehensive Income</b>	
Rent free release	1,137
Decrease in profit for the financial period	1,137
<b>Statement of Financial Position</b>	
Current Liabilities - Rent free provision	1,137
Decrease in net assets	1,137

### 28. Financial Guarantees

The company jointly guarantees a bank term loan and revolving credit facility agreement. The amount drawn down under the agreement at the balance sheet date was £190 million (period ended 02 January 2022 £168 million).