

Company registration number 11311357 (England and Wales)

BEE WORLD UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

BEE WORLD UK LIMITED

COMPANY INFORMATION

Directors	E S Tanmantiong D M Flores
Secretary	Bird & Bird Company Secretaries Limited
Company number	11311357
Registered office	12 New Fetter Lane London EC4A 1JP
Auditor	Littlestone Golding 17 Cavendish Square London W1G 0PH

BEE WORLD UK LIMITED

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BEE WORLD UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be the operation of restaurants.

Results and dividends

The results for the year are set out on page 6.

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

Directors

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

E S Tanmantiong

D M Flores

Qualifying third party indemnity provisions

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they may incur in defending certain proceedings against them.

Disabled persons

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

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

The group recognises that the long-term success of the business relies on effective engagement with its employees. Management consult with and brief all employees on a regular basis in relation to the company's operations, and employees are encouraged to contribute to the company's success through initiatives such as suggestion schemes.

Business relationships

The company manages relationships with its customers, suppliers, and those individuals and bodies that it has dealings with as closely as possible to ensure the services provided meet the company's high standards.

Future developments

The company intends to continue its restaurant opening programme in the United Kingdom during the ensuring year.

BEE WORLD UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditor

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

On behalf of the board

D M Flores

Director

30 September 2022

BEE WORLD UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEE WORLD UK LIMITED

Opinion

We have audited the financial statements of Bee World UK Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. We draw attention to note 1.2 which sets out the basis of the directors' assessment of going concern including the reliance on continued financial support of the company's parent company group.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year 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.

BEE WORLD UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BEE WORLD UK LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined the most significant are those that relate to the company's restaurant operations (licensing, food safety and employment), the reporting framework ((FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006)) and the relevant tax compliance regulations in which the Company operates.
- We understood how the Company is complying with those frameworks by making enquiries on the management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and any correspondence received from regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by enquiring with management during the planning, fieldwork and completion phase of our audit. We considered the controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors those controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk including revenue recognition. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of the management and focus testing.

BEE WORLD UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BEE WORLD UK LIMITED

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Michael Wright FCA
Senior Statutory Auditor
For and on behalf of Littlestone Golding

30 September 2022

Chartered Accountants
Statutory Auditor

17 Cavendish Square
London
W1G 0PH

BEE WORLD UK LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Revenue	3	11,029,351	3,853,159
Cost of sales		(13,552,081)	(5,383,565)
Gross loss		(2,522,730)	(1,530,406)
Administrative expenses		(1,507,827)	(743,593)
Other operating income		325,891	288,860
Operating loss	4	(3,704,666)	(1,985,139)
Investment income	6	27	1,478
Finance costs	7	(307,512)	(17,477)
Loss before taxation		(4,012,151)	(2,001,138)
Tax on loss	8	-	371,233
Loss for the financial year		(4,012,151)	(1,629,905)

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

BEE WORLD UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Loss for the year	(4,012,151)	(1,629,905)
Other comprehensive income	-	-
Total comprehensive loss for the year	<u>(4,012,151)</u>	<u>(1,629,905)</u>

BEE WORLD UK LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Non-current assets					
Intangible assets	9	196,798		41,228	
Property, plant and equipment	10	11,436,623		3,770,422	
		<u>11,633,421</u>		<u>3,811,650</u>	
Current assets					
Inventories	11	300,211		335,338	
Trade and other receivables falling due after more than one year	12	1,960,883		1,140,383	
Trade and other receivables falling due within one year	12	1,189,801		460,742	
Cash and cash equivalents		1,452,773		969,218	
		<u>4,903,668</u>		<u>2,905,681</u>	
Current liabilities	13	(12,883,371)		(3,912,024)	
Net current liabilities			(7,979,703)		(1,006,343)
Total assets less current liabilities			<u>3,653,718</u>		<u>2,805,307</u>
Non-current liabilities	14		(1,500,000)		-
Provisions for liabilities					
Provisions	15	180,000		60,000	
		<u>(180,000)</u>		<u>(60,000)</u>	
Net assets			<u>1,973,718</u>		<u>2,745,307</u>
Equity					
Called up share capital	18	7,641,853		4,401,291	
Retained earnings		(5,668,135)		(1,655,984)	
Total equity			<u>1,973,718</u>		<u>2,745,307</u>

The financial statements were approved by the board of directors and authorised for issue on 30 September 2022 and are signed on its behalf by:

D M Flores
Director

Company Registration No. 11311357

BEE WORLD UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Retained earnings £	Total £
Balance at 1 January 2020		1,173,893	(26,079)	1,147,814
Year ended 31 December 2020:				
Loss and total comprehensive income for the year		-	(1,629,905)	(1,629,905)
Issue of share capital	18	3,227,398	-	3,227,398
Balance at 31 December 2020		4,401,291	(1,655,984)	2,745,307
Year ended 31 December 2021:				
Loss and total comprehensive income for the year		-	(4,012,151)	(4,012,151)
Issue of share capital	18	3,240,562	-	3,240,562
Balance at 31 December 2021		7,641,853	(5,668,135)	1,973,718

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Bee World UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 12 New Fetter Lane, London, EC4A 1JP. The principal place of business is 22 Leicester Square, London, WC2H 7LE.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

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

- Section 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: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Jollibee Foods Corporation which are available from its website at <https://www.jollibee.com.ph> and from The Philippines Stock Exchange.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

The company has suffered a substantial interruption to its trading operations during the year as a result of mandatory Government lockdowns during 2020 and 2021 as a result of the Covid-19 pandemic. Nevertheless, the company has continued to open further restaurants during the year, as the industry returns to normal trading activities.

At the date of approving these financial statements the directors are not aware of any adverse impact arising from the COVID-19 pandemic, the crisis in Ukraine, the increasing cost of energy, or the cost of living crisis in the United Kingdom that will affect the company's ability to continue as a going concern.

The company continues to be supported by funds provided by its parent company group and to enable the company to continue operating as a going concern for the foreseeable future, the parent company group, without formally deferring repayment, has indicated a willingness to wait for repayment of amounts due to them until such time as the company is in a position to repay the amounts advanced. The parent company group has additionally undertaken to provide further financial support to cover future operating losses should they arise, and to fund the company's continuing restaurant opening programme in the United Kingdom.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

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

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

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business 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 or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% to 33% on cost
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1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

Leasehold land and buildings	10% on cost
Plant and equipment	20% on cost
Fixtures and fittings	20% on cost
Computers	20% on cost

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

1.6 Impairment of non-current assets

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

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

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

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

1.7 Inventories

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

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

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

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

Derecognition of financial liabilities

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

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

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

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

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

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

1.12 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.13 Employee benefits

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

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

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

1.14 Retirement benefits

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

1.15 Leases

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 leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.17 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

3 Revenue

	2021	2020
	£	£
Revenue analysed by class of business		
Restaurant sales	11,029,351	3,853,159
	<u>11,029,351</u>	<u>3,853,159</u>
	2021	2020
	£	£
Revenue analysed by geographical market		
United Kingdom	11,029,351	3,853,159
	<u>11,029,351</u>	<u>3,853,159</u>
	2021	2020
	£	£
Other revenue		
Interest income	27	1,478
Grants received	325,891	272,092
	<u>325,891</u>	<u>272,092</u>

Grant income represents amounts receivable under the Government's Coronavirus Job Retention Scheme and Coronavirus Business Rates Relief for businesses in the hospitality sector.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	64,664	(7,618)
Government grants	(325,891)	(272,092)
Fees payable to the company's auditor for the audit of the company's financial statements	29,500	15,000
Depreciation of owned property, plant and equipment	776,333	203,078
Amortisation of intangible assets	35,604	20,463
Operating lease charges	1,612,737	443,415

5 Employees

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

2021	2020
Number	Number
293	103

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	3,973,574	1,603,293
Social security costs	219,431	111,260
Pension costs	106,521	47,662
	4,299,526	1,762,215

6 Investment income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	27	1,478

7 Finance costs

	2021	2020
	£	£
Interest payable to group undertakings	307,512	17,477

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Taxation

	2021	2020
	£	£
Deferred tax		
Origination and reversal of timing differences	-	(371,233)

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

	2021	2020
	£	£
Loss before taxation	(4,012,151)	(2,001,138)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(762,309)	(380,216)
Tax effect of expenses that are not deductible in determining taxable profit	48,144	10,224
Unutilised tax losses carried forward	631,037	-
Depreciation on assets not qualifying for tax allowances	81,852	814
Timing differences relating to pension contributions	1,276	(2,055)
Taxation charge/(credit) for the year	-	(371,233)

Unused tax losses at 31 December 2021 amounted to £6.9 million (2021: £2.8 million).

9 Intangible fixed assets

	Software
	£
Cost	
At 1 January 2021	61,691
Additions	191,174
At 31 December 2021	252,865
Amortisation and impairment	
At 1 January 2021	20,463
Amortisation charged for the year	35,604
At 31 December 2021	56,067
Carrying amount	
At 31 December 2021	196,798
At 31 December 2020	41,228

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Property, plant and equipment

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2021	3,265,269	639,043	135,180	71,512	4,111,004
Additions	7,039,805	1,137,448	232,956	32,325	8,442,534
At 31 December 2021	10,305,074	1,776,491	368,136	103,837	12,553,538
Depreciation and impairment					
At 1 January 2021	183,539	119,663	16,401	20,979	340,582
Depreciation charged in the year	490,479	210,294	49,369	26,191	776,333
At 31 December 2021	674,018	329,957	65,770	47,170	1,116,915
Carrying amount					
At 31 December 2021	9,631,056	1,446,534	302,366	56,667	11,436,623
At 31 December 2020	3,081,730	519,380	118,779	50,533	3,770,422

11 Inventories

	2021 £	2020 £
Raw materials and consumables	300,211	335,338

12 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	48,002	-
Other receivables	809,882	369,548
Prepayments and accrued income	331,917	91,194
	1,189,801	460,742
Amounts falling due after more than one year:		
Other receivables	1,604,700	784,200
Deferred tax asset (note 16)	356,183	356,183
	1,960,883	1,140,383
Total debtors	3,150,684	1,601,125

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Current liabilities

	2021 £	2020 £
Trade payables	2,438,100	652,347
Amounts owed to group undertakings	8,463,465	2,714,551
Taxation and social security	134,224	41,105
Other payables	24,558	14,039
Accruals and deferred income	1,823,024	489,982
	<u>12,883,371</u>	<u>3,912,024</u>

14 Non-current liabilities

	2021 £	2020 £
Amounts owed to group undertakings	<u>1,500,000</u>	<u>-</u>

The amounts due to group undertakings of £1.5 million bear interest at 4.93% per annum and are repayable by instalments of £250,000 payable six-monthly commencing in June 2024 .

15 Provisions for liabilities

	2021 £	2020 £
Property dilapidations	<u>180,000</u>	<u>60,000</u>
Movements on provisions:		
		Property dilapidations £
At 1 January 2021		60,000
Additional provisions in the year		<u>120,000</u>
At 31 December 2021		<u>180,000</u>

Property dilapidations

The Company trades from a number of premises that are held on lease agreements. A provision for the potential costs of rectification of these premises back to their original state has been included within the financial statements. The provision is based on the current condition of the properties and estimated costs of remediation.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2021 £	Assets 2020 £
Balances:		
Accelerated capital allowances	(322,130)	(173,225)
Tax losses	678,313	529,408
	<u>356,183</u>	<u>356,183</u>

There were no deferred tax movements in the year.

The amount of the deferred tax asset set out above is expected to reverse within the next 12 month accounting period is £nil.

Deferred tax is not recognised in respect of tax losses of £3,3 million as the recovery of this amount against future taxable profits is not forecast in the foreseeable future.

17 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>106,521</u>	<u>47,662</u>

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

18 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of US\$1 each of US\$1 each	<u>10,140,000</u>	<u>5,640,000</u>	<u>7,641,853</u>	<u>4,401,291</u>

During the year the company issued 4,500,000 ordinary shares of US\$1 each with an aggregate nominal value of US\$4,500,000 (£3,240,562). The consideration received by the company amounted to £3,240,562.

BEE WORLD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	1,361,219	340,000
Between two and five years	7,617,542	1,699,667
In over five years	23,075,500	1,390,667
	<u>32,054,261</u>	<u>3,430,334</u>

20 Related party transactions

	2021 £	2020 £
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	<u>9,963,465</u>	<u>2,714,551</u>

21 Ultimate controlling party

The company's parent company is Jollibee Worldwide Pte. Ltd, a company incorporated in Singapore.

The company's ultimate parent company is Jollibee Foods Corporation, a company incorporated in the Philippines.

The parent company of the smallest and largest groups of undertakings for which group accounts are drawn up and of which Bee World UK Limited is a member is Jollibee Foods Corporation. The registered office address of Jollibee Foods Corporation is 10/F Jollibee Plaza Building, 10 F. Ortigas Jr. Avenue, Ortigas Center, Pasig City, Philippines. Accounts of Jollibee Foods Corporation can be obtained from its website at <https://www.jollibee.com.ph> and from The Philippines Stock Exchange.

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