

G R Logistics Limited

Directors' Report and Unaudited

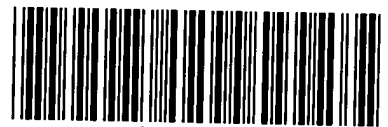
Financial Statements

Year Ended

31 August 2019

Company Number 02805780

FRIDAY



A9CDYKBT

A25

28/08/2020

#174

COMPANIES HOUSE

G R Logistics Limited

Company Information

Directors	G J Ramsay A Wenlock
Registered number	02805780
Registered office	539-547 Wandsworth Road London SW8 3JD United Kingdom
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

G R Logistics Limited

Contents

	Page
Directors' report	1 - 2
Accountant's report	3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Notes to the financial statements	7 - 12

G R Logistics Limited

Directors' Report for the Year Ended 31 August 2019

The directors present their report and the financial statements for the year ended 31 August 2019.

Principal activity

The principal activity of G R Logistics Limited has previously been property rental. The company ceased to trade in the year ended 31 August 2018 and its trade and assets were disposed. For the year ended 31 August 2019, it is expected that the company will remain inactive and will become dormant.

Directors

The directors who served during the year were:

G J Ramsay
A Wenlock

Going concern

The entity is part of the Gordon Ramsay Restaurants group, management forecast and take decisions for the group as a whole and therefore the consideration of going concern is as a group. A letter of ongoing support has been provided by the parent entity which confirms this position.

The Covid19 pandemic has had a significant impact on the group. The group was required to close all of its sites following the Government ordered "lockdown". The group was able to support its staff through the Government's Coronavirus job retention scheme, negotiate concessions from landlords across the estate, negotiate more flexible payment terms with key creditors and agree waivers and secure additional funding from its bank, as well as its significant shareholder.

The group is now able to reopen sites and has been doing this over recent weeks. The directors have prepared cashflow forecasts which indicate that the group will be able to meet its liabilities as they fall due for a period of at least 12 months from the approval of the financial statements. These projections include a steady increase in trade as customers get used to eating out again and confidence continues to grow in the safety of doing so. These projections also incorporate mitigating actions the company and Group has taken to reduce costs, including delaying planned capital expenditure and reducing variable costs, as well as incorporating government support initiatives, including a 12 month business rates waiver, increasing loan financing from the group's bank and significant shareholder and rent concessions.

The Group is fortunate to benefit from the strong support of its bankers and its significant shareholder and the Group's main facilities from each include committed additional as yet undrawn funds available to the Group, should these be required.

It is difficult to estimate how the COVID-19 outbreak will impact the Group's trading and for how long, and the Directors consider this as a level of uncertainty over which they have no control. In the event that trade took longer to pick up than forecast, or that additional lockdowns, national or local to the Group's core sites, were put in place or additional social distancing measures introduced over the forecast period, then the Group may need to take additional mitigating actions.

The Directors are satisfied that trading since re-opening is ahead of forecast, but the sites have only been opened for a limited period of time to date and so it is difficult to project with any degree of certainty how the trends will develop. However, with the headroom within the Group's forecast and the committed undrawn funds available to the Group the Directors are comfortable that the business is as prepared as it can be to rebuild its operations with the ability to withstand reasonably possible downside scenarios should they arise. Therefore, the expectation of the Directors is that they will be able to meet liabilities as they fall due over a period of at least 12 months.

G R Logistics Limited

Directors' Report (continued) for the Year Ended 31 August 2019

Principal risks and uncertainties

The current state of the UK economy and ability to operate the restaurant estate: The recent covid-19 pandemic resulted in the complete closure of the estate. While the group has been able to support its staff through the government's Coronavirus job retention scheme, and has now reopened the majority of its restaurants, it is clear that the economy has suffered significantly as a result of the pandemic which presents a risk to any consumer business. In addition, we are seeing localised lockdowns and restrictions being put in place in the UK and across Europe and any actions taken in the future which limits the ability of the group to operate as forecast will have a significant impact on its revenues and profits. The group has acted decisively to be as prepared as possible for these future uncertainties and the directors are confident in the long term future of the group.

Post balance sheet events

Due to Government requirements following the Covid-19 pandemic, all of the restaurants in the estate were closed with effect from 21 March 2020. This has had a significant impact on the business and resulted in the furlough of staff, changes in the rent profile, covenant waivers and deferral of certain liabilities. The estate is now being reopened in a phased manner but the full impact of the pandemic is not yet known.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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


.....
A Wenlock
Director

Date: 17/08/20

G R Logistics Limited

Chartered Accountants' Report to the Directors on the Preparation of the Unaudited Financial Statements of G R Logistics Limited for the Year Ended 31 August 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of G R Logistics Limited for the year ended 31 August 2019 which comprise the statement of comprehensive income, the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of G R Logistics Limited, as a body, in accordance with the terms of our engagement letter dated 14 October 2015. Our work has been undertaken solely to prepare for your approval the accounts of G R Logistics Limited and state those matters that we have agreed to state to the board of directors of G R Logistics Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than G R Logistics Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that G R Logistics Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and result of G R Logistics Limited. You consider that G R Logistics Limited is exempt from the statutory audit requirement for the year ended 31 August 2019.

We have not been instructed to carry out an audit or a review of the financial statements of G R Logistics Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

BDO LLP

BDO LLP
Chartered Accountants
London
United Kingdom

Date: 20 August 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

G R Logistics Limited

Statement of Comprehensive Income for the Year Ended 31 August 2019

	Note	2019 £	2018 £
Administrative expenses		-	(37,131)
Operating result/(loss)	4	-	(37,131)
Tax on result/(loss)	6	-	-
Result/(loss) and total comprehensive result/(loss) for the year		-	(37,131)

The notes on pages 7 to 12 form part of these financial statements.

G R Logistics Limited

Registered number:02805780

Statement of Financial Position as at 31 August 2019

	Note	2019 £	2018 £
Current assets			
Debtors	7	500	500
Creditors: amounts falling due within one year	8	(1,906,838)	(1,906,838)
Net current liabilities		(1,906,338)	(1,906,338)
Net liabilities		(1,906,338)	(1,906,338)
Capital and reserves			
Share capital	9	1,272,714	1,272,714
Accumulated losses	10	(3,179,052)	(3,179,052)
		(1,906,338)	(1,906,338)

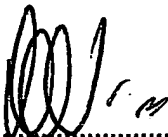
For the year ended 31 August 2019 the company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



A Wenlock
Director

Date: 17/08/20

The notes on pages 7 to 12 form part of these financial statements.

G R Logistics Limited

Statement of Changes in Equity for the Year Ended 31 August 2019

	Share capital £	Accumulated losses £	Total equity £
At 1 September 2018	1,272,714	(3,179,052)	(1,906,338)
Comprehensive result for the year			
Result and total comprehensive result for the year	-	-	-
At 31 August 2019	<u>1,272,714</u>	<u>(3,179,052)</u>	<u>(1,906,338)</u>

Statement of Changes in Equity for the Year Ended 31 August 2018

	Share capital £	Accumulated losses £	Total equity £
At 1 September 2017	1,272,714	(3,141,921)	(1,869,207)
Comprehensive loss for the year			
Loss and total comprehensive loss for the year	-	(37,131)	(37,131)
At 31 August 2018	<u>1,272,714</u>	<u>(3,179,052)</u>	<u>(1,906,338)</u>

The notes on pages 7 to 12 form part of these financial statements.

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. General information

G R Logistics Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

These financial statements are presented in Pounds Sterling (GBP) and are reported to the nearest pound.

The company has determined that GBP is its functional currency.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Gordon Ramsay Restaurants Limited as at 31 August 2019 and these financial statements may be obtained from Companies House.

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

2. Accounting policies (continued)

2.3 Going concern

The entity is part of the Gordon Ramsay Restaurants group, management forecast and take decisions for the group as a whole and therefore the consideration of going concern is as a group. A letter of ongoing support has been provided by the parent entity which confirms this position.

The Covid19 pandemic has had a significant impact on the group. The group was required to close all of its sites following the Government ordered "lockdown". The group was able to support its staff through the Government's Coronavirus job retention scheme, negotiate concessions from landlords across the estate, negotiate more flexible payment terms with key creditors and agree waivers and secure additional funding from its bank, as well as its significant shareholder.

The group is now able to reopen sites and has been doing this over recent weeks. The directors have prepared cashflow forecasts which indicate that the group will be able to meet its liabilities as they fall due for a period of at least 12 months from the approval of the financial statements. These projections include a steady increase in trade as customers get used to eating out again and confidence continues to grow in the safety of doing so. These projections also incorporate mitigating actions the company and Group has taken to reduce costs, including delaying planned capital expenditure and reducing variable costs, as well as incorporating government support initiatives, including a 12 month business rates waiver, increasing loan financing from the group's bank and significant shareholder and rent concessions.

The Group is fortunate to benefit from the strong support of its bankers and its significant shareholder and the Group's main facilities from each include committed additional as yet undrawn funds available to the Group, should these be required.

It is difficult to estimate how the COVID-19 outbreak will impact the Group's trading and for how long, and the Directors consider this as a level of uncertainty over which they have no control. In the event that trade took longer to pick up than forecast, or that additional lockdowns, national or local to the Group's core sites, were put in place or additional social distancing measures introduced over the forecast period, then the Group may need to take additional mitigating actions.

The Directors are satisfied that trading since re-opening is ahead of forecast, but the sites have only been opened for a limited period of time to date and so it is difficult to project with any degree of certainty how the trends will develop. However, with the headroom within the Group's forecast and the committed undrawn funds available to the Group the Directors are comfortable that the business is as prepared as it can be to rebuild its operations with the ability to withstand reasonably possible downside scenarios should they arise. Therefore, the expectation of the Directors is that they will be able to meet liabilities as they fall due over a period of at least 12 months.

2.4 Turnover

Turnover represents amounts receivable for rental income net of value added tax.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Creditors

Short term creditors are measured at the transaction price.

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

2. Accounting policies (continued)

2.7 Current and deferred taxation

Tax is recognised in the statement of comprehensive income, 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 reporting 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

There are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the financial period.

4. Operating result/(loss)

The operating result/(loss) is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	-	37,317

All audit fees for the year are borne by Gordon Ramsay Holdings Limited.

5. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

6. Taxation

No liability to UK corporation tax arose in the year.

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2018 - higher than) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 £	2018 £
Result/(loss) on ordinary activities before tax	-	(37,131)
Result/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	-	(7,055)
Effects of:		
Fixed asset differences	-	2,514
Transfer pricing adjustments	-	(73)
Adjustments to deferred tax rates	-	(40)
Deferred tax not recognised	-	(334)
Group relief surrendered	-	4,988
Total tax charge for the year	-	-

There is a potential deferred tax asset not recognised of £Nil (2018 - £38,373).

7. Debtors

	2019 £	2018 £
Amounts owed by group undertakings	500	500

All amounts shown under debtors fall due for payment within one year.

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	1,906,838	1,906,838

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,272,714 ordinary shares of £1.00 each	<u>1,272,714</u>	<u>1,272,714</u>

10. Reserves

Accumulated losses

Accumulated losses represent cumulative profits or losses, net of dividends paid and other adjustments.

11. Financial commitments

In the year ended 31 August 2018 the ultimate parent company Gordon Ramsay Restaurants Limited agreed a new banking facility with Barclays. This is an increased 5 year facility that will mature in 2023.

A group loan facility is secured by a debenture over the present and future assets of the company and personal guarantees from the directors (see note 12). The loan is repayable over 60 months, commencing 28 February 2018 and interest is chargeable at a variable rate of interest plus LIBOR dependent on the leverage ratio of the group.

12. Related party transactions

As at 31 August 2019, G J Ramsay had given personal guarantees totalling £5,000,000 (2018 - £5,000,000) in respect of the group banking facility.

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

The below entities were considered related parties as they share common directors with the company and are controlled by the same ultimate parent company. The following amounts were due from / (owed to) the below related parties at the reporting date as a result of the group's financing, management and trading activities:

	As at 1 September 2018 £	Net movements £	As at 31 August 2019 £
Gordon Ramsay Holdings Limited	(1,633,765)	-	(1,633,765)
Petrus (Kinnerton Street) Limited	(50,000)	-	(50,000)
Gordon Ramsay (Narrow Street) Limited	(50,000)	-	(50,000)
Sparkle Restaurants Limited	500	-	500
Union Steet Cafe Limited	(444)	-	(444)

G R Logistics Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

13. Post balance sheet events

Due to Government requirements following the Covid-19 pandemic, all of the restaurants in the estate were closed with effect from 21 March 2020. This has had a significant impact on the business and resulted in the furlough of staff, changes in the rent profile, covenant waivers and deferral of certain liabilities. The estate is now being reopened in a phased manner but the full impact of the pandemic is not yet known.

14. Ultimate parent undertaking and controlling party

The company is a subsidiary of Gordon Ramsay Restaurants Limited which is the ultimate parent company incorporated in the United Kingdom. The immediate parent company is Gordon Ramsay Holdings International Limited, a company incorporated in United Kingdom.

The largest and smallest group in which the results of the company are consolidated is that headed by Gordon Ramsay Restaurants Limited, incorporated in the United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

The company's ultimate controlling party is G J Ramsay.