



**Momentum Services Limited**

**Annual report and accounts**

**Registered number 03874110**

**31 December 2021**

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## **Officers and professional advisers**

### **Directors**

Cristian Biasoni  
David Cheeseman  
Joseph N Zaidan  
Fabio Croce-Sebastiani  
Frank Whittaker

### **Secretary**

Antonio Ghirarduzzi

### **Registered office**

60 Grays Inn Road  
London  
WC1X 8AQ

### **Country of incorporation**

United Kingdom

### **Legal form**

Company Limited by Shares

### **Bankers**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

Barclays Bank Plc  
45 Boulevard Haussman  
75009  
Paris  
France

KBC Bank  
Succursale Louise  
Avenue Louise 525-527  
1050 Bruxelles  
Belgium

Ing Bank  
Bijlmerdreef 24,  
1102 CT Amsterdam  
The Netherlands

### **Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

### **Lawyers**

Stephenson Harwood LLP  
1 Finsbury Circus  
London  
EC2M 7SH

## Strategic report

### Principal activities

The principal activity of the company is the provision of the railway restaurant and related services on board Eurostar trains running between London and Paris, London and Brussels, London and Amsterdam and to other destinations pursuant to a contract entered into with Eurostar International Limited ("Eurostar"). The company also operates the Business Premier Lounges and the on-board equipment management contracts with Eurostar.

### Market overview and contracts

The company has been awarded an extension of the contract for a 7 year period ending on 31 May 2028 signed on 5 February 2021. The original contract started on 1 June 2014 and was due to expire on 31 May 2021. The contract continues to include the on-board services, the Business Premier Lounge services, the on-board equipment management and the bar buffet. In addition to this, it also includes the staffing of the check-in operations in the Netherlands at the Amsterdam and Rotterdam stations. The Paris lounge services are subcontracted to Lounge Services SAS, a fellow subsidiary company incorporated in France.

During 2021, the business has continued to be significantly impacted by the covid-19 pandemic with a reduction in activities in terms of pax by -25% and in terms of trains by -29% over the 12 months period. The catering services were significantly scaled down throughout the year with the many restrictions imposed by different Governments in the United Kingdom, France, Belgium and The Netherlands which impacted overseas travel and the Eurostar services were still severely affected at the end of the year 2021 due to the spread of the Omicron variant. Indeed, at the financial year date of 31 December 2021 the travel restrictions are still in place with limited departures per country. Activities are expected to return to acceptable levels in the spring of 2022 and reaching pre-covid levels at the beginning of 2023.

One positive event in 2021 has been the launch of the check-in and station staff operations, at Rotterdam and Amsterdam stations.

Looking ahead, whilst 2022 has been still impacted by the covid-19 pandemic during the first quarter of the year with the omicron variance, the travel activities are expected to increase materially into the spring and summer months and beyond following the ease of all restrictions by the UK and European governments. (see Covid-19 consideration below). Nevertheless, the outlook of the macroeconomic environment still presents some uncertainties that could impact the company's activities in 2022 and beyond with the conflict in Ukraine affecting the consumer confidence, in particular the travel leisure market from American and the Far East as well as inflation rates impacting the supply chain.

### Results for the year

Profit after taxation for the financial year amounted to €550,000 (2020: €319,000).

The performance bonus and the savings share mechanisms have been reintroduced from 1<sup>st</sup> June 2021. Revenues have increased in 2021 by €5.6m (+24%) not compensating the decrease of €45m in 2020 due to the impact of the covid-19 pandemic with services highly impacted since March 2020. Operating profit has increased to €571,000 at 2% of turnover (2020: €323,000 at 1.4% of turnover). Operating profit is still significant lower compared to pre-covid financial years primarily a result of the suspension of the performance bonus payment and waiving of the savings share calculation until May 2021 and the on-going impact of the covid-19 pandemic.

### Key performance indicators

The main key performance indicators, as outlined in the Eurostar contracts (customers' satisfaction score and cost savings), show that the organisation has performed to expectations in 2021. The performance bonus score which is one for all services has maintained satisfactory levels. Due to the covid-19 pandemic outbreak the performance bonus has been paid only from 1 June for the financial year 2021 and the applied score is the standard threshold which is equivalent to 95% of the management fee due to covid-19 disruption and the unavailability to retrieve full year data.

## Strategic report (continued)

### Covid-19 and related business impact

The outbreak of the COVID-19 coronavirus pandemic and the measures adopted by governments in countries worldwide to mitigate the pandemic's spread have significantly impacted the Company since 16 March 2020 and this has continued throughout the financial year 2021. The key impact and measures that have been implemented following Covid-19 pandemic outbreaks are outlined below:

- Market and business activities

The business activities have been reduced by 29% on average during the financial year 2021 with the Eurostar services running only on inter-capital routes to Paris, Brussels and Amsterdam and with the complete closure of the other routes such as Disney, LSO and Bourg St Maurice in the French Alps. This situation is likely to improve from March 2022 when Directors expect that the ease of travel restrictions by the governments across the world will increase the customer demand and passengers' number will start to increase reaching acceptable levels and, consequently, the revenues and profitability of the company is forecasted to improve for the financial year 2022.

The Company has agreed with the Client, Eurostar, a contingency budget plan during the covid-19 periods which has been in place for financial year 2021 and it has been reviewed on a monthly basis depending on the changes of the restrictions imposed by the various governments. This is embedded in the new contractual arrangement agreed in the extension agreement signed in February 2021. This has enabled the Company to maintain profitability, even if at a much lower level, and preserve financial resources and its current core structure.

- Employees

The Company has taken advantage of the grants and measures offered by the Governments of the United Kingdom, France, Belgium and The Netherlands during 2020 and 2021. In the UK the majority of the staff have been furloughed through the job retention scheme programme. In France, in Belgium and in the Netherlands the company has utilised equivalent available schemes.

Although the adoption of these measures has helped to retain its current core structure, the Company has been forced to reduce its workforce during 2021. A redundancy process has taken place in the United Kingdom which contributed to the reduction of the workforce globally by 20% with a total FTE of 163 in 2021 compared to 2020. The redundancies have impacted the on-board services and support functions and the various steps process have been carried out in consultation with the members of the Company Trade Unions.

- Welfare

The Company has issued guidance for all employees and specifically for those working on the Eurostar trains in direct contact with customers to respect the self-distancing rules and to wear the required protective equipment in order to minimize the spreading of the virus. The company has also taken steps to actively support sick workers and has put in place a policy that enables those employees, who are still working, to work away from the office, with an effective remote technology plan.

- Tax deferrals and advantages

Along with the job retention schemes, the Governments of the local countries where the Company operates, have also introduced a series of measures and fiscal stimulus which the Company has utilised. In the United Kingdom, the Company has taken advantage of the deferment of VAT payments in 2020, and the amount of £102,000 remains deferred at the 31 December 2021 by the UK government.

In France, in Belgium and in The Netherlands social security, corporation tax and VAT payments have been deferred in accordance with the relief package of each government and the amount due at 31 December 2021 is 1,646,000 in Euros. This is due to be repaid during the financial year 2022.

## Strategic report (continued)

### Covid-19 and related business impact (continued)

- Supply chain

The spread of the new coronavirus, COVID-19, is being felt globally across operations in ways that are difficult to model and assess. The affected regions are at the heart of many global supply chains. The Company and the Board of Directors are continuously monitoring the supply chain situation and they are working closely with its suppliers to make sure they have enough resources. They have put in place in agreement with the Client Eurostar a back-up plan for the supply of certain goods critical to deliver the service in the event that any of its key suppliers faced financial difficulties and they are unable to deliver the product at the very short notice.

### Recoverability of trade receivables

The Company has assessed the cash position during financial year 2021 and looking ahead for the year 2022 and the recoverability of the trade receivables. The majority of the outstanding trade receivables has been recovered and the Board of Directors have reasonable information and contractual arrangement in place with the Client that no credit losses are expected. All trade receivables are expected to be received within the agreed terms.

- Uncertainty and stress test

The impact of the covid-19 pandemic has significantly disrupted the company operations during the financial year 2021. The situation is expected to improve during the year 2022 since the travel restrictions and requirements are now nearly fully lifted by the various governments. At this stage, although there is still some uncertainty over how the Covid-19 will mutate in the future, the Company business activities is expected to improve and return to normal levels in future periods.

The Management of the company has therefore modelled a number of different scenarios considering a period of twelve months from the date of finalisation of these financial statements. These assumptions modelled are based on the current situation where the majority of the Covid-19 restrictions and regulations have been lifted and on the expected levels of trains and passengers' activities. The Company has assessed the cash position based on these scenarios and in particular the recoverability of trade receivables. All trade receivables are expected to be received within the agreed terms. The company is assumed to have sufficient financial resources to continue as going concern.

Nevertheless, in the event of an appearance of new variants of the virus and the re-introduction of the restrictions, at the tightest test date in management's forecasts, the Company could withstand a reduction in revenue of 50% compared with 31 December 2019. It has been assumed that the Company has the opportunity to continue to apply for any government assistance in the countries where the company operates, and these are subject to remain available and evolve in line with the reduction of the virus. Also, to respond to a severe downside scenario, management has the ability to take the mitigating actions to reduce costs, optimise the Group's cash flow and preserve liquidity with reducing non-essential capital expenditure and deferring or cancelling discretionary spend with freezing non-essential recruitment and with reducing marketing spend. Therefore, even in an uncertain downside scenarios, the Directors expect the company to have sufficient financial resources to continue as going concern with the current forecasted level of activities.

### Section 172 Statement

The Board of directors of Momentum Services Limited consider, both individually and together, that they have acted in the way they consider good faith and promote the success of the company for the benefit of its members as a whole.

The Company is not required to adopt an official recognised corporate governance code. However, the Board of Directors have introduced an internal corporate governance code which establish rules and guidelines for strategic, commercial, financial, legal and employment matters. These duties are detailed in this section 172 of the UK Companies Act 2006 which is summarise below:

## Strategic report (continued)

### Section 172 Statement (continued)

- Risk Management

The company provides business critical services for the client, Eurostar, in a highly regulated environment. It is therefore vital that the company effectively identify, evaluate, manage and mitigate the risks the business faces, and the company continues to evolve its approach to its risk management.

- The People

The Company is committed to being a responsible business. The Company behaviour is aligned with the expectation of its people, clients, shareholders and communities and society as a whole. People are at the heart of the delivery of excellent customer service to the client Eurostar and its customers. For our business to succeed, we need to manage people's performance and develop and bring through talent while ensuring the Company operates as efficiently as possible.

The Board of Directors of the Company engage directly with the employees through regular visits and meetings taking place in all offices across Europe. Both the Board of Directors and the executive management team are holding regular meetings with trade unions officials in the UK, France and Belgium to discuss current matters and to address any concerns and to maintain a positive constructive working relationship.

- Business Relationship

The Company strategy is focused on delivering excellent customer service to Eurostar and its clients through the enhancement of the catering services on board the trains and in Business Premium Lounges. To do this, the Company needs to develop and maintain strong client relationships. The Company also values all of its suppliers as they are key in enabling the Company to deliver its strategy. The company has long term contracts with its key suppliers.

- Community and environment

The Company's approach is to use its position of strength to create positive changes for the people and the communities with which the Company interact. The Company is committed to embrace the safeguard of the environment and to reduce the utilization of plastic in its services having delivered the 'first plastic FREE train' during the financial year ended 31 December 2020.

- Shareholders

The Executive team and the Board of Directors are openly engaged with the Company shareholders as they recognise the importance of continuing an effective dialogue with the ultimate Parent Company, Cremonini S.p.A. and its shareholders. The shareholders are actively engaged in the Company affairs with their representatives being members of the Board of Directors. They support the Company by helping to deliver its key objectives and strengthening the client relationship with Eurostar.

### Other principal risks and uncertainties

#### **Brexit**

The directors regularly monitor the potential impact of the outcome of the Brexit agreement with any potential other risks that may arise from it.

#### **Ukraine conflict**

The company does not hold any direct business trade ad interest with Russia, Ukraine and Belarus. However, the directors are currently evaluating the economic ramifications of the conflict in Ukraine of increases to energy prices, rising pressure on inflation rates, fluctuations in foreign exchange rates, and interest rate rises.

## Strategic report (continued)

### *Going concern risk*

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in this report. The company is dependent on one source of income; that is income from contracts operated with Eurostar in relation to the provision of the railway restaurant and related services on board Eurostar trains running between London and Paris, London and Brussels, London and Amsterdam, and to other destinations. The company also operates the Business Premier Lounges and equipment contracts with Eurostar. The renewal of these contracts has been formalised and signed with Eurostar on 5 February 2021 for an additional 7 years to 31 May 2028 with a break clause exercisable from September 2023 by the Client, Eurostar. At the balance sheet date all contracts have, therefore, 1 years and 9 months to completion. The directors consider that the provision of these contracts will provide sufficient resources for the company to continue to meet its liabilities as they fall due and as such the financial statements have been prepared on a going concern basis.

The budget for 2022, approved by the Board of Directors in November 2021, indicated that the company business activities are going to improve and reach acceptable levels although still impacted by the effect of the covid-19 pandemic and it indicates that the level of the current profitability is expected to be lower by 28% compared to the pre-covid financial year 2019. The company is entirely reliant on the activities of the Client, Eurostar and the targets in terms of revenues and profitability set in the budget 2022 are dependent on the activities level of the client, Eurostar with the recovery of the travel industry in the aftermath of the pandemic and now with economic impact of conflict in Ukraine. The directors have reviewed the forecast for the profit and loss account and for the cash flows of the company and certain scenarios have been considered where there is still some uncertainty as to when the operations of the Company will return to pre-covid 2019 levels which in turn may affect the flow of cash derived from future income of the Company. However, the latest forecast of 2022 and 2023 show that the company has sufficient resources to continue as going concern. See discussion under the Covid-19 and related business impact section of this report.

By order of the board,



**David Cheeseman**  
Director  
Date: 19/04/2022



## Directors' report

### Directors and their interests

The directors who served during the year and up to the date of this report were as follows:

Cristian Biasoni  
David Cheeseman  
Joseph N Zaidan  
Fabio Croce-Sebastiani  
Frank Whittaker

None of the directors hold any interest in the company. During the year Cristian Biasoni was directors of Chef Express S.p.A. His interests in Chef Express S.p.A. and Cremonini S.p.A. are disclosed in those companies' accounts.

Fabio Croce-Sebastiani's salary was paid by Momentum Services Limited and then re-charged to Chef Express S.p.A. for services related to Chef Express S.p.A. The outstanding balance owed to the company at 31 December 2021 in respect of these charges is €43,906 (2020: €18,644). The total recharge for the year is €134,267 (2020: €128,474).

### Accounting framework

The company adopt FRS 101 'Reduced Disclosure Framework'. From the 1<sup>st</sup> of January 2019 the company has adopted IFRS 16 'Leases'. It is mandatory under the IFRS framework to adopt IFRS 16 'Leases' which replaces IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease').

### Ownership

The company is owned by Chef Express UK Limited, a company incorporated in England and Wales, which held 100% of the equity.

### Dividend

No dividend was paid during the financial year 2021 to Chef Express UK (2020: *no dividend to Chef Express UK*).

No dividend has been proposed for the current financial year.

### Directors' insurance and indemnities

The Company has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

### Principal financial risk and uncertainty

In addition to the risks created by Brexit and macroeconomic events such the extraordinary impact related to the Covid-19 outbreak, as discussed on pages 4, 5 and 6, the company activities expose it to a variety of financial risks. These risks are not exceptional or different in nature from those that are customary in the industry. The company seeks to minimise potential adverse effects on its financial performance.

(a) Market risk

(i) Foreign exchange risk

The company activities take place in the United Kingdom and in the EURO countries, France, Belgium and The Netherlands. The company results and shareholders' equity are therefore affected by foreign exchange rates. The exchange risk is limited because transactions are denominated largely in the functional currencies of the subsidiaries. The associated risk is not hedged.

## Directors' report (continued)

### Principal financial risk and uncertainty (continued)

#### *(ii) Price risk*

The price risk is associated with the increase of the cost of material to produce food and drinks and to the inflationary price increases. The company has agreed a price indexation reimbursement clause with the client. The company takes a view that its currency policy on price risk is well balanced.

#### *(b) Credit risk*

The company's cash and cash equivalents are held in the bank accounts of each local country where it operates. The company limits the associated credit risk as a result of the Group's policy to work only with reputable banks and financial institutions. The company net cash balance has decreased during the financial year 2020. However, it expects to maintain a total positive cash flow balance for the next twelve months from the balance sheet date and beyond.

#### *(c) Liquidity risk*

The company maintains a positive liquidity position, which is based on its liquidity needs under stressed conditions. The liquidity is monitored on a daily basis to ensure there are sufficient liquid assets at all times to cover cash flow movements. The company liquidity is reliant on the activities of the Client, Eurostar and certain scenarios have been considered which indicate that there is a material uncertainty as to when the operations of the Company will return to acceptable levels due to the impact of the Coronavirus pandemic which in turn may affect the flow of cash derived from future income of the Company (see going concern risk, page 8).

### Overseas branches

The company has the following overseas branches:

- In France at the address: 43 Rue de Dunquerque, 75010 Paris
- In Belgium at the address: Frankrijkstraat - 95 Rue de France, B-1070 Brussels
- In The Netherlands at the address: Carolina MacGillavrylaan 3402, 1098XJ Amsterdam

All European branches are carrying out Momentum activities in relation to the Eurostar contract for the France, Belgium and The Netherlands territories respectively.

### Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that employees' views are taken into account when decisions are made that are likely to affect their interests. It ensures that all the employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the house newspaper, newsletters and briefing groups.

### Strategic report

In accordance with section S414C (11) of the Companies Act 2006, the company has produced a Strategic Report which is set out on page 4. Information on post balance sheet events and likely future developments in the business of the company has been included in the Strategic Report on pages 4-8.

## Directors' report (continued)

### Directors' responsibilities

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 company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including 'FRS 101 Disclosure Framework' 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

### Disclosure of information to the auditor

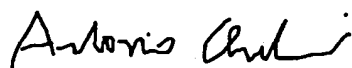
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

In accordance with Section 487 of the Companies Act 2006, BDO UK Audit LLP will be deemed to be re-appointed as auditor of the company.

### Approval

The Directors' Report was approved by order of the Board on 19 April 2022.



**Antonio Ghirarduzzi**  
Company Secretary  
Date: 19/04/22

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOMENTUM SERVICES LIMITED**

### **Opinion on the financial statements**

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 profit 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.

We have audited the financial statements of Momentum Services Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of comprehensive income, Statement of financial position, Cash flow statement, Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### **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 directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

#### **Other Companies Act 2006 reporting**

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.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the [Strategic report or] the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

*Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management including consideration of known or suspected instances of non-compliance with applicable laws and regulations and fraud, including compliance with the various government schemes relating to the Covid-19 pandemic;
- Evaluation and were appropriate, testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journal entries posted by senior management, journals posted to unusual accounts, journals posted to revenue accounts, journals posted by unusual individuals and duplicate journals; and
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

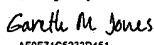
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

DocuSigned by:  
  
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Gareth M Jones (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London

19 April 2022

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

**Statement of comprehensive income**  
**For the year ended 31 December 2021**

	Note	2021 €'000	2020 €'000
<b>Turnover</b>	3	<b>24,790</b>	23,040
Other Income	4	7,215	9,504
Operating statement charges	5	72	(146)
Raw material and consumables		(3,654)	(4,329)
Depreciation – fixed assets	12	(123)	(362)
Depreciation – right to use assets	13	(180)	(319)
Other external charges		(4,348)	(4,508)
Staff costs	7	(22,975)	(22,158)
Other operating charges		(335)	(328)
Exchange differences	5	109	(71)
<b>Operating profit</b>		<b>571</b>	323
Interest receivables and similar charges	9	0	7
Interest payable and similar charges	9	(2)	(8)
<b>Profit on ordinary activities before taxation</b>		<b>569</b>	322
Tax on profit on ordinary activities	10	(19)	(3)
<b>Profit for the financial year</b>		<b>550</b>	319
<b>Other comprehensive income:</b>			
Exchange gains/(losses) arising on translation of foreign currency operations		160	(126)
<b>Total comprehensive income</b>		<b>710</b>	193

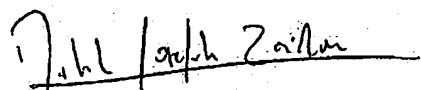
The results shown above are derived wholly from continuing operations.

The notes from page 19 form part of these financial statements.

**Statement of financial position**  
*At 31 December 2021*

	Note	2021		2020	
		€'000	€'000	€'000	€'000
<b>Fixed assets</b>					
Intangible fixed assets	12		3		8
Tangible fixed assets	12		34		103
Property – right-of-use assets	13		72		209
			<u>109</u>		<u>320</u>
<b>Current assets</b>					
Stock	14	1,226		1,042	
Debtors	15	5,272		4,567	
Shareholders loan	15	3,607		663	
Cash at bank and in hand		7,046		4,526	
		<u>17,151</u>		<u>10,798</u>	
<b>Creditors: amounts falling due within one year</b>	16	(13,590)		(8,021)	
<b>Lease liabilities: current</b>	13	(72)		(209)	
		<u></u>		<u></u>	
<b>Net current assets</b>			3,489		2,568
<b>Lease liabilities: non-current</b>	13		-		-
			<u></u>		<u></u>
<b>Net assets</b>			3,598		2,888
			<u></u>		<u></u>
<b>Capital and reserves</b>					
Called up share capital	18		269		269
Redenomination reserve	19		99		99
Exchange reserve	19		(162)		(322)
Retained Earnings	19		3,392		2,842
			<u>3,598</u>		<u>2,888</u>
<b>Equity shareholders' funds</b>			<u>3,598</u>		<u>2,888</u>

These financial statements were approved by the board of directors on 19 April 2022 and were signed on its behalf by:



**Nabil Joseph Zaidan**  
Director  
Date: 19/04/2022

The notes from page 19 form part of these financial statements.



## Cash flow statement

For the year ended 31 December 2021

	Note	2021 €'000	2020 €'000
<b>Cash flows from operating activities</b>			
Profit for the financial year		550	319
Adjustment for:			
Depreciation and amortisation	12, 13	303	681
Interest received		-	(7)
Interest paid		2	8
Taxation		19	3
(Increase)/Decrease in stocks		(184)	489
(Increase)/Decrease in debtors		(722)	3,859
Increase/(Decrease) in creditors		5,656	(5,135)
<b>Cash from operations</b>		<b>5,623</b>	<b>217</b>
Income tax paid		(95)	(195)
<b>Net cash generated from operating activities</b>		<b>5,528</b>	<b>22</b>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets	12	(40)	(40)
Interest received		0	7
<b>Net cash from investing activities</b>		<b>(40)</b>	<b>(33)</b>
<b>Cash flow from financing activities</b>			
Assets lease liabilities payments	13	(182)	(311)
Interest lease liabilities payments		(2)	(8)
Dividend paid		-	-
Payments from/(to) shareholders loan	15	(2,944)	(465)
<b>Net cash used in financing activities</b>		<b>(3,128)</b>	<b>(784)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>2,360</b>	<b>(795)</b>
Cash and cash equivalents at beginning of period		4,526	5,447
Foreign exchange differences		160	(126)
<b>Cash and cash equivalents at the end of the period</b>	22	<b>7,046</b>	<b>4,526</b>

The notes from page 19 form part of these financial statements.

**Statement of changes in equity**  
*For the year ended 31 December 2021*

	Share Capital €'000	Redenomination Reserve €'000	Exchange Reserves €'000	Retained Earnings €'000	Total shareholder Funds €'000
At 1 January 2020	269	99	(196)	2,523	2,695
Exchange gains / (losses)	-	-	(126)	-	(126)
Dividends paid	-	-	-	-	-
Profit for the year	-	-	-	319	319
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	269	99	(322)	2,842	2,888
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2021	269	99	(322)	2,842	2,888
Exchange gains / (losses)	-	-	160	-	160
Dividends paid	-	-	-	-	-
Profit for the year	-	-	-	550	550
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	269	99	(162)	3,392	3,598
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notes from page 19 form part of these financial statements.

## Notes to the financial statements for year ended 31 December 2021

### 1 Accounting policies

#### *Reporting entity*

The company is incorporated and domiciled in the United Kingdom. These Financial Statements comprise the Company, Momentum Services Limited. The Company is operating the Eurostar contracts providing on-board, catering and business premier lounges services and management of on-board equipment. The company was incorporated on 9 November 1999, as private company limited by shares in the United Kingdom.

#### *Statement of compliance*

The company financial statements have been prepared in accordance with the applicable Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Framework.

#### *Functional and presentational currency*

These financial statements are presented in EURO currency (€), which is the company presentational currency. The functional currency of the company is pounds sterling in the United Kingdom and it is EURO in France, Belgium and The Netherlands. All amounts have been rounded to the nearest thousands, unless otherwise indicated.

#### *Basis of preparation*

These Financial Statement have been prepared on historical cost basis. The principal accounting policies adopted in the preparation of the financial statement are set out below. The accounting policies set out below have been applied consistently to all periods presented in these Financial Statement.

#### *Going concern*

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in this report. The company is dependent on one source of income; that is income from contracts operated with Eurostar in relation to the provision of the railway restaurant and related services on board Eurostar trains running between London and Paris, London and Brussels and to other destinations. The company also operates the Business Premier Lounges and equipment contracts with Eurostar. The renewal of these contracts has been formalised and signed with Eurostar on 5 February 2021 for an additional 7 years to 31 May 2028 with a break clause exercisable from September 2023 by the Client, Eurostar. At the balance sheet date all contracts have, therefore, 1 years and 9 months to completion. The directors consider that the provision of these contracts will provide sufficient resources for the company to continue to meet its liabilities as they fall due and as such the financial statements have been prepared on a going concern basis.

The budget for 2022, approved by the Board of Directors in November 2021, indicated that the company business activities are going to improve and reach acceptable levels although still impacted by the effect of the covid-19 pandemic and it indicates that the level of the current profitability is expected to be lower by 28% compared to the pre-covid financial year 2019. The company is entirely reliant on the activities of the Client, Eurostar and the targets in terms of revenues and profitability set in the budget 2022 are dependent on the activities level of the client, Eurostar with the recovery of the travel industry in the aftermath of the pandemic and now with economic impact of conflict in Ukraine. The directors have reviewed the forecast for the profit and loss account and for the cash flows of the company and certain scenarios have been considered where there is still some uncertainty as to when the operations of the Company will return to pre-covid 2019 levels which in turn may affect the flow of cash derived from future income of the Company. However, the latest forecast of 2022 and 2023 show that the company has sufficient resources to continue as going concern. See discussion under the Covid-19 and related business impact section of this report.

## Notes to the financial statements for year ended 31 December 2021

### 1 Accounting policies (continued)

#### *Disclosure exemptions adopted*

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- All disclosures required by IFRS 7;
- All disclosures required under IFRS 13;
- the effect of future accounting standards not yet adopted.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Cremonini S.p.A. These financial statements do not include certain/all disclosures in respect of business combinations

#### *Changes in accounting policies*

- a) New standards, interpretations and amendments effective from 1 January 2021.

New standards continue to be adopted in the annual financial statement for the year ended 31 December 2021, and which have given rise to changes in the Company's accounting policies are:

- Amendment to IFRS 16, 'Leases' - COVID-19 Rent related concessions (May 2020 and March 2021).
- Narrow scope amendments IAS 16, 'Property, plant and equipment'.
- Amendments to IAS 1, 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8, 'Accounting policies, changes in accounting estimates and errors'

Other new and amended standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

#### *Amendment to IFRS 16, 'Leases' - COVID-19 Rent related concessions (May 2020 and March 2021)*

In May 2020, the IASB issued *Covid-19-Related Rent Concessions (Amendment to IFRS 16)* that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of Covid-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the Covid-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

On 31 March 2021, in light of the ongoing pandemic, the IASB published an additional amendment to extend the date from 30 June 2021 to 30 June 2022. The March 2021 amendment is to be applied retrospectively, recognising the cumulative effect of initially applying that amendment as an adjustment to the opening balance of retained earnings at the beginning of the annual reporting period in which the lessee first applies the amendment.

In the current financial year, the Company has applied the amendment to IFRS 16 in their Financial Statements ending 31 December 2021.

## Notes to the financial statements for year ended 31 December 2021

### 1. Accounting policies (continued)

#### *Changes in accounting policies (continued)*

##### Narrow scope amendments IAS 16, 'Property, plant and equipment'

IAS 16 requires that the cost of an asset includes any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. One of those costs is testing whether the asset is functioning properly.

The amendment to IAS 16 prohibits a company from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use and any discount received from the installation costs.

This amendment will come into effect on or after 1 January 2022. The Company has the intention to adopt this new amendment to IAS 16 in the event of the purchase of any assets which are required to be considered under IAS 16.

##### Amendments to IAS 1, 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8, 'Accounting policies, changes in accounting estimates and errors'

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

The IASB amended IAS 1, 'Presentation of Financial Statements', to require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendment also clarifies that accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information.

The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

##### Amendments to IAS 1, 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8, 'Accounting policies, changes in accounting estimates and errors' (continued)

The Company is intending to adopt these new amendments on or after 1 January 2023 when they are coming into effect. The amendments should help the company to improve accounting policy disclosures, either by making the disclosures more specific to the entity or by reducing generic disclosures that are commonly understood applications of IFRS and to distinguish changes in accounting estimates from changes in accounting policies.

These amendments are not expected to have a significant impact on the preparation of financial statements.

#### b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these are as follows, which are all effective for the period beginning 1 January 2022:

## Notes to the financial statements for year ended 31 December 2021

### 1. Accounting policies (continued)

#### *Changes in accounting policies (continued)*

- IFRS 17 Insurance Contracts
- *Narrow Scope Amendments to IFRS Standards*
- *Deferred Tax related to Assets and Liabilities arising from a single transaction.*
- Amendments to IAS 1 *Classification of Liabilities as Current or Non-current*

Momentum Services Limited are currently assessing the impact of these new accounting standards and amendments. The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company and its subsidiaries except for IFRS 17 Insurance contract.

#### *Judgements and key areas of estimation uncertainty*

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires the company's directors to exercise judgment in applying the company's accounting policies. There have been no other material amendments to the disclosure requirements previously applied in accordance with applicable UK accounting standards. The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### *Computer software*

Computer software is carried at cost less accumulated amortisation and any provision for impairment. Externally acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives of three to five years.

#### *Tangible fixed assets and depreciation*

Fixed assets are stated at cost net of depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery	-	3 to 5 years
Computer software	-	3 to 5 years

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost comprises all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location.

#### *Investments*

Investments are stated at cost less provision for impairment.

#### *Financial assets – loans and receivables*

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

## Notes to the financial statements for year ended 31 December 2021

### 1. Accounting policies (continued)

#### *Financial liabilities*

Loan from group companies are recognised at amortised cost.

#### *Share Capital*

The company's ordinary shares are classified as equity instruments.

#### *Dividends payable*

Dividends are recognised when become legally payable. In the case of interim dividends to equity shareholders, this is when they are paid. In the case of final dividends, this is when approved by the shareholders at the AGM

#### *Provisions*

The company has recognised provisions for liabilities of uncertain timing. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

#### *Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

#### *Leases*

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- (a) There is an identified asset;
- (b) The Company obtains substantially all the economic benefits from use of the asset; and
- (c) The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

IFRS 16 was adopted 1 January 2019 without restatement of comparative figures.

## Notes to the financial statements for year ended 31 December 2021

### 1 Accounting policies (continued)

#### *Leases (continued)*

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

#### *Deferred taxation*

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settle/(recovered).

#### *Foreign currencies*

Transactions entered into by the company in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

Exchange gains and losses arising on the retranslation of monetary available for sale financial assets are treated as a separate component of the change in fair value and recognised in profit or loss.

The company financial statements are presented in Euro currency in order to be aligned with the Group consolidated currency. Average FX rate is at 1.1629 (2020: 1.1255) and FX closing rate is at 1.1907 (2020: 1.1118) to convert the sterling data into Euro. The FX rates are provided by the Bank of England.

In the United Kingdom the functional currency of the entity is GBP sterling and in France, in Belgium and in The Netherlands the functional currency of these entities is EURO. The results and financial position of foreign operations where the currency is different to the functional currency are translated into the presentation currency using the following procedures:



## Notes to the financial statements for year ended 31 December 2021

### 1 Accounting policies (continued)

#### *Foreign currencies (continued)*

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- Income and expenses for each income statement are translated at exchange rates at the dates of the transactions. Where this is impracticable, an average rate for the year may be used provided that exchange rates do not fluctuate significantly.

All resulting exchange differences are recognised as a separate component of equity and shown within the foreign exchange reserve.

#### *Turnover*

Turnover, which excludes value added taxes, represents the revenues for the provision of the catering and related services on board of Eurostar trains. Turnover is recognised on delivery of the service.

#### *Pension costs*

The company contributes to a defined contribution scheme for employees in the UK, France and Belgium. Pension costs are charged to the profit and loss account in the year in which they are accrued.

### 2. Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions do not carry a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

#### *Estimates and assumption*

##### *(a) Useful lives of plant and equipment and intangibles assets*

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the company's accounting policy. The selection of these estimated lives requires the exercise of management judgement. Useful lives are regularly reviewed and should management's assessment of useful lives shorten then depreciation charges in the financial statement would increase and carrying amounts of plant and equipment would reduce accordingly. The carrying amount of plant and equipment by each class is included in note 12.

##### *(b) Provisions, Contingent Liabilities and Contingent Assets*

Provisions are recognised only when there is a liability from a present obligation resulting from past events and they are measured at the best estimate (including risks and uncertainties) of the expenditure required to settle the present obligation and reflects the present value of expenditures required to settle the obligation where the time value of money is material.

Contingent liabilities are recognised when there is possible obligation depending on whether some uncertain future event occurs, or when there is a present obligation, but payment is not probable or the amount cannot be measured reliably.

## Notes to the financial statements

for year ended 31 December 2021

### 3. Turnover

Momentum Services Limited provides catering and related services on board Eurostar trains running between the United Kingdom, France, Belgium and The Netherlands. The directors consider that the company operates in one geographical segment, being Europe.

Turnover arises from:

	2021	2020
	€'000	€'000
Sales of goods	2,052	2,327
Provision of services	22,738	20,713
	<u>24,790</u>	<u>23,040</u>

Analysis of turnover by country of destination:

	2021	2020
	€'000	€'000
United Kingdom	12,271	11,255
Rest of Europe	12,519	11,785
	<u>24,790</u>	<u>23,040</u>

### 4 Other Income

Other income of €7,215,000 (2020: €9,504,000) includes payments received from the UK, French and The Netherlands governments in relation to the support for the employers to cover employees' wages during the covid-19 pandemic. In the UK the furlough scheme has been introduced by the local government and total amount of the claim received is €3,878,000 (2020: €6,433,000) covering the period from 1 January to 30 September 2021. In France the chômage covid-19 has been launched by the local government and the total amount of the claim received is €3,123,000 in 2021 (2020: €2,800,000). In The Netherlands similar scheme has been set up by the local government and the amount of the claim received is €214,000 in 2021 (2020: €271,000). In Belgium no claim has been submitted by the Company as the employees received wage payments directly from the local Government during covid-19 pandemic.

### 5 Expenses by nature

Operating profit is stated after charging:

	2021	2020
	€'000	€'000
Staff costs (see note 7)	22,975	22,158
Management charges	90	150
Operating statement (income)/charges	(72)	146
Foreign exchange (gains)/losses	(109)	71
Depreciation of fixed assets	123	362
Depreciation of right to use assets	180	319
	<u></u>	<u></u>

The operating statement and ground income of €72,000 (2020: €146,000 charges) are in respect of the operating cost under-spending as part of the on-board service and lounge contracts with Eurostar and in respect of profit share under target of sales at the bar buffet carriages.

## Notes to the financial statements for year ended 31 December 2021

### 6 Auditor remuneration

	2021	2020
	€'000	€'000
Fees for the audit of the company	57	54

### 7 Staff number and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2021	2020
	No.	No.
<b>Average number of persons employed:</b>		
Managers	20	22
Clerical staff	59	66
Full time crew	400	493
Part time crew	105	144
Lounge	34	56
Temporary staff	17	17
	<b>635</b>	<b>798</b>

	2021	2020
	€'000	€'000
<b>Staff costs during the year</b>		
Wages and salaries	20,317	18,669
Social security costs	1,398	1,834
Pension costs (see note 19)	1,260	1,655
	<b>22,975</b>	<b>22,158</b>

Wages and salaries cost of €20,317,000 (2020: 18,669,000) are gross of the payments received from the UK, French and The Netherlands governments in relation to the support for the employers to cover employees' wages during the covid-19 pandemic. In the UK the furlough scheme has been introduced by the local government and total amount of the claim received is €3,878,000 (2020: 6,433,000) covering the period from 1 January to 30 September 2021. In France the chômage covid-19 was set up by the local government and the total amount of the claim received is €3,123,000 in 2021 (2020: €2,800,000). In The Netherlands similar scheme was set up by the local government and the amount of the claim received is €214,000 in 2021 (2020: €271,000). In Belgium no claim has been submitted by the Company as the employees received wage payments directly from the local Government during covid-19 pandemic.

## Notes to the financial statements for year ended 31 December 2021

### 8 Remuneration of directors

The aggregate remuneration of the individual directors of Momentum Services Limited for the year ended 31 December 2021 was as follows:

	2021 €'000	2020 €'000
Directors' emoluments	109	9

The chairman was employed by the company during the financial year and the emoluments of €33,000 are comprised above for his services as chairman. David Stewart Cheeseman, previously employed under the consultancy company Pullman Consultancy Limited, was employed by the company from 1 September 2021 and the emoluments of €76,000 are disclosed above for his services as director.

All other directors served as directors of either the ultimate parent undertaking, other group companies or related parties. The emoluments of these directors have been borne by other group companies or related parties and were not recharged to the company. Accordingly, the aggregate emoluments figures do not include any emoluments for these directors. None of the directors had any pension contributions made to them by the company.

Fabio Croce-Sebastiani's salary was paid by Momentum Services Limited and then re-charged to Chef Express S.p.A. for services related to Chef Express S.p.A. The outstanding balance owed to the company at 31 December 2021 in respect of these charges is €43,906 (2020: €18,644). The total recharge for the year is €134,267 (2020: €128,474)

### 9 Finance income and finance expenses

#### Interest receivables and similar charges

	2021 €'000	2020 €'000
Interest on bank accounts	-	7

#### Interest payable and similar charges

	2021 €'000	2020 €'000
Interest on bank accounts and overdrafts	-	-
Interest charges on lease liabilities	2	8
	2	8

## Notes to the financial statements for year ended 31 December 2021

### 10 Taxation

#### a) Analysis of charge in period:

	2021 €'000	2020 €'000
<i>UK corporation tax</i>		
Current tax on income for the period	-	73
Double taxation relief	-	(73)
	<hr/>	<hr/>
	-	-
<i>Foreign tax</i>		
Current tax on income for the period	11	36
Adjustments in respect of prior years	-	4
	<hr/>	<hr/>
Total current tax	11	40
<i>Deferred tax</i>		
UK deferred tax	(2)	(39)
Impact of exchange rate	(2)	2
Adjustments in respect of prior years	12	-
	<hr/>	<hr/>
Total deferred tax	8	(37)
	<hr/>	<hr/>
Tax on profit on ordinary activities	19	3
	<hr/>	<hr/>

#### b) Factors affecting the current tax charge for the current year:

The tax charge for the current year is lower at 1.66% (2020: 0.75%) than the standard rate of corporation tax in the UK of 19%, (2020: 19%) applied to the profit on ordinary activities before tax. The differences are explained below:

	2021 €'000	2020 €'000
Profit on ordinary activities before tax	569	322
	<hr/>	<hr/>
UK corporation tax at 19% (2020: 19.00%) of profit	108	61
<i>Effects of:</i>		
Group relief from group companies lower than UK tax rate	(138)	(73)
Depreciation in excess of/(less than) capital allowances for the period	6	48
Deferred tax assets	8	(37)
Other short term timing differences – pension	(10)	(4)
Permanent disallowance	34	(10)
Higher rates on overseas earnings	11	14
Adjustments to tax charge in respect of previous periods	-	4
	<hr/>	<hr/>
Total tax expense (see above)	19	3
	<hr/>	<hr/>

## Notes to the financial statements for year ended 31 December 2021

### 10 Taxation (continued)

#### c) Factors that may affect future tax charges:

The corporation tax main rate remains at 19% for the financial year beginning 1 April 2021. The charge to corporation tax and the main rate will also be set at 19% for the financial year beginning 1 April 2022. The main tax rate is set to increase to 25% for the financial year beginning 1 April 2023.

### 11 Dividends

	2021 €'000	2020 €'000
Total dividends paid	-	-

No dividend were paid during the financial year 2021 (2020: no dividend).

No dividend has been proposed to be paid at the forthcoming Annual General Meeting.

### 12 Fixed assets

	Tangible Assets €'000	Intangible Assets €'000	Total €'000
<b>Cost</b>			
At 1 January 2021	2,480	435	2,915
Additions	38	2	40
Effect of exchange rate	155	20	175
<b>At 31 December 2021</b>	<b>2,673</b>	<b>457</b>	<b>3,130</b>
<b>Depreciation</b>			
At 1 January 2021	(2,377)	(427)	(2,804)
Charge for the year	(111)	(12)	(123)
Effect of exchange rate	(151)	(15)	(170)
<b>At 31 December 2021</b>	<b>(2,639)</b>	<b>(454)</b>	<b>(3,093)</b>
<b>Net book value</b>			
<b>At 31 December 2021</b>	<b>34</b>	<b>3</b>	<b>37</b>
At 31 December 2020	103	8	111

**Notes to the financial statements (continued)**  
**for year ended 31 December 2021**

**13 Lease**

IFRS 16 was adopted 1 January 2019 without restatement of comparative figures. For an explanation of the transitional requirements that were applied as at 1 January 2019, see Note 1. The Company has leases for the office facilities in London and in Paris under the contractual agreement with Eurostar

**Right-of-use-assets**

	<b>Land and Building €'000</b>	<b>Total €'000</b>
At 1 January 2021	209	209
Amortisation	(180)	(180)
Modification of lease term	65	65
Effect of exchange rate	(22)	(22)
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>72</b>	<b>72</b>
	<hr/>	<hr/>

**Lease liabilities**

	<b>Land and Building €'000</b>	<b>Total €'000</b>
At 1 January 2021	209	209
Effect of interest expenses	2	2
Effect of modification of lease term	65	65
Lease payments	(182)	(182)
Effect of exchange rate	(22)	(22)
	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>72</b>	<b>72</b>
	<hr/>	<hr/>

The lease liabilities are presented in the statement of financial position as follows:

	<b>31 December 2021 €'000</b>
Current	72
Non-current	-
	<hr/>
	<b>72</b>
	<hr/>

**Notes to the financial statements (continued)**  
*for year ended 31 December 2021*

**14 Stock**

	2021	2020
	€'000	€'000
Raw material and consumables	264	373
Finished goods for resale	962	669
	<u>1,226</u>	<u>1,042</u>

**15 Debtors**

	2021	2020
	€'000	€'000
Trade debtors	97	146
Prepayments and accrued income	3,386	2,181
Amounts owed by group undertakings and related party (note 23)	331	132
Other debtors	1,364	1,988
Deferred tax assets (note 17)	63	71
Deposit	31	31
Corporation tax	-	18
	<u>5,272</u>	<u>4,567</u>
Shareholders' loan (note 22)	3,607	663
	<u>8,879</u>	<u>5,230</u>

Given the history of recoverability, expected credit loss is considered immaterial and as such no provision has been recognised against trade debtors. The ultimate parent company has provided guarantees for the recoverability of the shareholders loans and amounts owed by group undertakings and related party. As such no provision has been recognised against this balance. The directors have considered the credit risk regarding intercompany receivables including reliance on the guarantee and on this basis no provision has been made against these balances in respect of any expected credit losses.

Included in other debtors is an amount of €581,141 (2020: €728,236) in respect of Crédit d'impôt compétitivité emploi ("CICE") recoverable against future corporation tax amounts in France.

**16 Creditors: amounts falling due within one year**

	2021	2020
	€'000	€'000
Trade creditors	1,971	901
Corporation tax	87	-
Amounts owed to group undertakings and related parties (note 23)	443	201
Other taxation and social security	4,882	4,039
Other creditors	185	-
Accruals and deferred income	6,022	2,880
	<u>13,590</u>	<u>8,021</u>



**Notes to the financial statements (continued)**  
*for year ended 31 December 2021*

**17 Deferred taxation**

	2021 €'000	2020 €'000
Accumulated depreciation in excess of capital allowances	56	55
Other short term timing differences	7	16
	<hr/>	<hr/>
<b>As per note 15</b>	<b>63</b>	<b>71</b>
	<hr/>	<hr/>
		€'000
At 1 January 2021		71
Charge to profit and loss account for current year		2
Credit to profit and loss account – impact of exchange rate		2
Credit to profit and loss account in respect of prior years		(12)
		<hr/>
<b>At 31 December 2021</b>		<b>63</b>
		<hr/>

**18 Called up share capital**

	2021 €'000	2020 €'000
<b>Authorised</b>		
225,000 Ordinary shares of €1.1967 each	269	269
<b>Allotted, called up and fully paid</b>		
225,000 Ordinary share of €1.1967 each	269	269

Total shares issued are 225,000 with an aggregate nominal value of €269,257.

At the balance sheet date Ordinary shares were held by Chef Express UK Limited (225,000 shares with aggregate nominal value of €269,257).

**19 Reserves**

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for.
Redenomination reserve	Redenomination of share capital from sterling to EURO currency
Exchange reserve	Foreign exchange gains and losses on capital reserves
Retained earnings	All other net gains and losses and transactions with owners (eg dividends) not recognised elsewhere.

**Notes to the financial statements (continued)**  
*for year ended 31 December 2021*

**20 Pension commitments and retirement benefits**

The company pays into a number of defined contribution schemes in England, France and Belgium, the countries in which the company has employees. The contribution rates vary according to the scheme, with some employees being allowed to choose schemes and select the level of personal and company contributions.

The pension cost charge of €1,260,000 (2020: €1,655,000) represents contributions payable by the company to the fund.

The amount outstanding at the year end in respect of these contributions was €378,993 (2020: 317,112).

**21 Reconciliation of net cash flow to movement in net funds**

	2021 €'000	2021 €'000	2020 €'000	2020 €'000
Increase/(Decrease) in cash in the year	2,520		(921)	
Movement in loan less than one year	2,944		465	
Change in funds resulting from cash flows	5,464		(456)	
Movement in net funds		5,464		(456)
Net funds at 1 January 2021		5,220		5,676
<b>Net funds at 31 December 2021</b>		<b>10,684</b>		<b>5,220</b>

**22 Analysis of net funds**

	At 1 January 2021 €'000	Cash Flows €'000	Exchange differences €'000	At 31 December 2021 €'000
Cash at bank and in hand	4,526	2,360	160	7,046
Deposit	31	-	-	31
Loan to/from the shareholders	663	2,944	-	3,607
	5,220	5,304	160	10,684

Security is granted to the Company's bankers over certain cash balances held.

**Notes to the financial statements (continued)**  
**for year ended 31 December 2021**

**23 Related party disclosures**

*Transactions with group companies*

During the year the Company entered into the following transactions with fellow group undertakings which are wholly owned members of the group headed by Cremonini S.p.A.:

	2021 €'000	2020 €'000
Amounts owed by fellow group undertakings	3,938	795
Amounts owed to fellow group undertakings	443	201

At the balance sheet date, the company has a creditor balance of €436,949 (2020: €133,801) with Lounge Service S.A.S. in relation to the sub-contract of the Business Premier Lounge in Paris.

At the balance sheet date, the company has a debtor balance of €151,705 (2020: €79,079) with Lounge Service S.A.S. in relation to the sub-contract of the Business Premier Lounge in Paris.

At the balance sheet date, the company has an outstanding creditor balance of €3,902 (2020: €1,250) with the ultimate parent company, Cremonini S.p.A. for insurance services.

At the balance sheet date, the company has an outstanding debtor balance of €10,721 (2020: €20,538) with Railrest S.A. with regards to general business costs.

At the balance sheet date, the company has an outstanding creditor balance of €2,319 (2020: €38,270) with Railrest S.A. with regards to general business costs.

At the balance sheet date, the company has no outstanding creditor balance (2020: €5,028) with Turkish Branch.

At the balance sheet date, the company has no outstanding creditor balance (2020: €22,348) with The Great American Bagel Factory Limited.

At the Balance sheet date, the company has an outstanding debtor balance of €124,455 (2020: €9,339) with The Great American Bagel Factory with regards to the head office cost.

At the Balance sheet date, the company has no outstanding debtor balance (2020: €4,670) with Bagel Nash.

Fabio Croce-Sebastiani's salary was paid by Momentum Services Limited and then re-charged to Chef Express S.p.A. for services related to Chef Express S.p.A (note 7). At the balance sheet the amount owed to Momentum Services Limited is €43,906.

The shareholders (or associated companies of the shareholders) have charged management fees with regard to the provision of financial, legal and general business services in 2021 of €90,000 (2020: €150,000 Chef Express S.p.A.). €90,000 was charged by Chef Express S.p.A. at 31 December 2021 in the respect of management fees. The fee has been paid in full during the financial year 2021 (2020: €150,000).

**Notes to the financial statements (continued)**  
*for year ended 31 December 2021*

**23 Related party disclosures (continued)**

*Transactions with parent company*

	2021 €'000	2020 €'000
Amounts owed from/(to) parent company	3,607	663

At the balance sheet date the company is fully 100% owned by Chef Express UK Limited, a subsidiary of Chef Express S.p.A.

The company entered in to an agreement for an intercompany credit facility with group parent company. At the balance sheet date the facility has been withdrawn by Chef Express UK Limited for €3,607,000 (2020: €663,000 owned by Chef Express UK Limited) (notes 15).

**24 Ultimate parent company and control**

The immediate parent undertaking at the balance sheet date is Chef Express UK Limited, a company incorporated and registered in the United Kingdom. Chef Express UK Limited is owned 100% by Chef Express S.p.A., a company incorporated and registered in Italy.

The smallest and largest group into which the company's results are consolidated are those of the ultimate parent company, Cremonini S.p.A, whose accounts can be obtained from the Company Secretary, Via Modena 53, 41014 Castelvetro di Modena, Italy (see strategic and directors' reports page 4-10).

**25 Post Balance Events**

The covid-19 pandemic (see strategic report pages 4-8) is still considered on-going event which could still some impact the financial results in the future financial years 2022 and 2023. The company considered to have included all necessary provisions at the Balance Sheet date 31 December 2021 and no further adjustment is deemed to be required at the date of the approval of these financial statements.