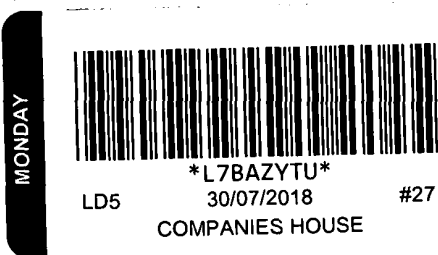


**BLACK AND BLUE (C) LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2017**



**BLACK AND BLUE (C) LIMITED**  
**REGISTERED NUMBER:06774886**

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	322,968	550,608
Tangible assets	5	1,210,620	1,519,423
		<u>1,533,588</u>	<u>2,070,031</u>
<b>Current assets</b>			
Stocks	6	46,124	59,688
Debtors: amounts falling due within one year	7	808,258	532,880
Cash at bank and in hand	8	209,695	6,597
		<u>1,064,077</u>	<u>599,165</u>
Creditors: amounts falling due within one year	9	(1,187,160)	(1,872,276)
<b>Net current liabilities</b>		<u>(123,083)</u>	<u>(1,273,111)</u>
<b>Total assets less current liabilities</b>		<u>1,410,505</u>	<u>796,920</u>
<b>Provisions for liabilities</b>			
Deferred tax	10	(60,572)	(83,540)
<b>Net assets</b>		<u>1,349,933</u>	<u>713,380</u>
<b>Capital and reserves</b>			
Called up share capital.		100	100
Profit and loss account		1,349,833	713,280
		<u>1,349,933</u>	<u>713,380</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with 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 on **30 JUL 2018**

  
**J Gay**  
 Director

The notes on pages 2 to 9 form part of these financial statements.

## **BLACK AND BLUE (C) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017**

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#### **1. General information**

The principal activity of the company continued to be that of restaurateurs.

The company is a private company limited by shares and registered in England and Wales. Its registered office is 5th Floor, 89 New Bond St, London, W1S 1DA.

#### **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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is pound sterling.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on a going concern basis. Due to the financial position of the company, the validity of this position is conditional on the continued support of two of the company's directors and shareholders of Black and Blue (A) Limited that they will support the company for a period of not less than one year from the date of signature of the financial statements.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the directors' support.

##### **2.3 Revenue**

Turnover comprises revenue recognised by the company from the sale of food and beverages during the period, exclusive of Value Added Tax and trade discounts.

##### **2.4 Intangible assets**

###### **Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its average useful economic life of 24 years.

##### **2.5 Tangible fixed assets**

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

**BLACK AND BLUE (C) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017**

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

S/term leasehold property	- Over the lease term
Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

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

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

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.7 Debtors**

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

**2.8 Cash and cash equivalents**

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

**2.9 Creditors**

Short term creditors are measured at the transaction price.

**2.10 Finance costs**

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

**2.11 Operating leases**

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

## **BLACK AND BLUE (C) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017**

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#### **2. Accounting policies (continued)**

##### **2.12 Pensions**

###### **Defined contribution pension plan**

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

##### **2.13 Holiday pay accrual**

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

##### **2.14 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

##### **2.15 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. 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 balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 balance sheet date.

**BLACK AND BLUE (C) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017**

**3. Employees**

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

	<b>2017 No.</b>	2016 No.
Restaurant staff	<b>68</b>	79
Office staff	<b>4</b>	6
	<u><b>72</b></u>	<u>85</u>

**4. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 November 2016	<b>1,115,500</b>
Disposals	<b>(379,500)</b>
At 31 October 2017	<u><b>736,000</b></u>
<b>Amortisation</b>	
At 1 November 2016	<b>564,892</b>
Charge for the year	<b>34,560</b>
On disposals	<b>(186,420)</b>
At 31 October 2017	<u><b>413,032</b></u>
<b>Net book value</b>	
At 31 October 2017	<u><b>322,968</b></u>
At 31 October 2016	<u>550,608</u>

**BLACK AND BLUE (C) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017**

**5. Tangible fixed assets**

	<b>S/term leasehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 November 2016	<b>3,250,207</b>	<b>79,428</b>	<b>770,102</b>	<b>4,099,737</b>
Additions	-	-	<b>45,972</b>	<b>45,972</b>
Disposals	<b>(1,260,207)</b>	<b>(23,388)</b>	<b>(321,861)</b>	<b>(1,605,456)</b>
At 31 October 2017	<b>1,990,000</b>	<b>56,040</b>	<b>494,213</b>	<b>2,540,253</b>
<b>Depreciation</b>				
At 1 November 2016	<b>2,099,470</b>	<b>66,713</b>	<b>414,131</b>	<b>2,580,314</b>
Charge for the year	<b>143,586</b>	<b>2,748</b>	<b>78,057</b>	<b>224,391</b>
Disposals	<b>(1,248,058)</b>	<b>(21,102)</b>	<b>(205,912)</b>	<b>(1,475,072)</b>
At 31 October 2017	<b>994,998</b>	<b>48,359</b>	<b>286,276</b>	<b>1,329,633</b>
<b>Net book value</b>				
At 31 October 2017	<b>995,002</b>	<b>7,681</b>	<b>207,937</b>	<b>1,210,620</b>
At 31 October 2016	<b>1,150,737</b>	<b>12,715</b>	<b>355,971</b>	<b>1,519,423</b>

**6. Stocks**

	<b>2017 £</b>	<b>2016 £</b>
Food stock	<b>13,576</b>	25,265
Drink and consumables stock	<b>32,548</b>	34,423
	<b>46,124</b>	59,688

**7. Debtors**

	<b>2017 £</b>	<b>2016 £</b>
Trade debtors	<b>73,920</b>	102,235
Amounts owed by group undertakings	<b>388,423</b>	92,650
Other debtors	<b>213,400</b>	230,545
Prepayments and accrued income	<b>132,515</b>	107,450
	<b>808,258</b>	532,880

**BLACK AND BLUE (C) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017**

**8. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	209,695	6,597
Less: bank overdrafts	-	(244,083)
	<u>209,695</u>	<u>(237,486)</u>

**9. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdrafts	-	244,083
Trade creditors	245,198	246,959
Amounts owed to group undertakings	-	463,341
Corporation tax	114,601	-
Other taxation and social security	144,128	201,951
Other creditors	395,695	465,631
Accruals and deferred income	287,538	250,311
	<u>1,187,160</u>	<u>1,872,276</u>

The bank overdraft of £NIL (2016 - £244,083) is secured by way of a fixed and floating charge over all present and future assets of the company and first charges over each leasehold property.

N L E Hill has also provided a personal guarantee for £2,010,000.

**10. Deferred taxation**

	2017 £	2016 £
At beginning of year	83,540	63,572
Profit and loss account movements	(22,968)	19,968
<b>At end of year</b>	<u>60,572</u>	<u>83,540</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Fixed asset timing differences	<u>60,572</u>	<u>83,540</u>

## BLACK AND BLUE (C) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

#### 11. Contingent liabilities

The company has given the group's bankers a cross guarantee and debenture dated 18 May 2017 over a facility provided to Black and Blue (A) Limited, which exists across the following entities:

Black and Blue (A) Limited  
Black and Blue (C) Limited  
Black and Blue (D) Limited  
Black and Blue Waterloo Limited  
The Archduke Restaurant LLP

Any liability arising from the cross guarantee and the debenture is secured by a first debenture from each of the entities above over all of their assets.

The amount due under this facility at the balance sheet date was £1,878,056 (2016 - £NIL).

#### 12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £2,534 (2016 - £1,672). Contributions totalling £2,549 (2016 - £2,967) were payable at the balance sheet date.

#### 13. Commitments under operating leases

At 31 October 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	190,300	375,300
Later than 1 year and not later than 5 years	742,375	1,289,583
Later than 5 years	431,250	5,150,000
	<u>1,363,925</u>	<u>6,814,883</u>

During the year, the lease for the company's Wigmore Street site was sold, which reduced lease commitments by £250,000 per annum (£5,875,000 over the remaining lease term).

#### 14. Related party transactions

No disclosure has been made of transactions with other wholly owned group companies in accordance with FRS 102 Section 1A paragraph 1AC.35.

At the balance sheet date, the company owed its director, N L E Hill, £395,000 (2016 - £395,000). Interest on the loan is payable by the company at a variable rate. This amounted to £44,992 (2016 - £48,553) for the year.

The loan's repayment terms have been aligned with the group banking facility which results in the subordination of all director's loans in favour of the group's bankers.

The loan is repayable on demand, subject to the agreement of the group's bankers.

**BLACK AND BLUE (C) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2017**

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**15. Controlling party**

Black and Blue (A) Limited is the parent of the smallest group for which consolidated financial statements are drawn, a company registered in England and Wales. Its registered office is 5th Floor, 89 New Bond Street, London, W1S 1DA.

**16. Auditors' information**

The audit report provided to the members of Black and Blue (C) Limited on the financial statements for the year ended 31 October 2017 was not qualified.

The audit report was signed by Richard Gilbert (Senior Statutory Auditor) on behalf of SRLV Audit Limited, Chartered Accountants and Statutory Auditor.