

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019
FOR
RACINE RESTAURANTS LIMITED

Ashford Louis
Chartered Certified Accountants
& Statutory Auditors
187 High Road Leyton
London
E15 2BY

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FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

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RACINE RESTAURANTS LIMITED

COMPANY INFORMATION
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

DIRECTOR: Mrs A C Miller

REGISTERED OFFICE: 42 Hans Crescent
London
SW1X 0LZ

REGISTERED NUMBER: 07457948 (England and Wales)

AUDITORS: Ashford Louis
Chartered Certified Accountants
& Statutory Auditors
187 High Road Leyton
London
E15 2BY

GROUP STRATEGIC REPORT
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

The director presents her strategic report of the company and the group for the period 1 September 2018 to 30 June 2019.

REVIEW OF BUSINESS

The results of the group reflect a pre-tax profit for the year of £401,060 (2018: £632,125) .

Key performance indicators

The main performance indicators of turnover, gross profit and net profit after taxation communicate the financial performance of the group as a whole. The group's growth has continued, Turnover increased by 106% as compared to 2018, the Group has achieved the increase in turnover by investing in new sites.

Financial risk management objectives and policies

The Group has always funded its operations from its own generated cash resources. Trade debtors are managed by credit and cash flow risk policies concerning the amount of credit offered to customers as well as regular monitoring of amounts outstanding. Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

Employees

The Group's employment policy is to provide equal opportunity to all current and prospective employees without any discrimination. We provide work environment in which all individuals are treated with respect and dignity.

Social, environment and ethical matters

The Group believes that by operating in an ethical and socially aware manner will help preserve the environment. It is an integral part of efficient and profitable business management. The director recognises that success in these areas depends on the involvement and commitment of everyone in the organisation.

Future developments

The Group expects to grow organically throughout the 2020 by investing in its existing product range, or by developing new products and opening new sites. The expected growth will be financed through the use of retained profits from previous trading years from private investments.

ON BEHALF OF THE BOARD:

Mrs A C Miller - Director

26 June 2020

REPORT OF THE DIRECTOR
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

The director presents her report with the financial statements of the company and the group for the period 1 September 2018 to 30 June 2019.

DIVIDENDS

No dividends will be distributed for the period ended 30 June 2019.

DIRECTOR

Mrs A C Miller held office during the whole of the period from 1 September 2018 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Ashford Louis, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs A C Miller - Director

26 June 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RACINE RESTAURANTS LIMITED

Opinion

We have audited the financial statements of Racine Restaurants Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 June 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). The financial statements of the Group and the subsidiary companies as 31 August 2018 were not audited, as the Group and the subsidiary companies qualified for statutory audit exemption for the year concerned and the members have also not required the company to obtain an audit of its financial statements for the year in accordance with Section 476 of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 June 2019 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

We draw your attention to the going concern issue indicated in Note 20 to the financial statements. While drawing your attention to this note, we want to state that our auditor's opinion is not modified in respect of the matter emphasized.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RACINE RESTAURANTS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is responsible for assessing the group's and the parent 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RACINE RESTAURANTS LIMITED

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 a Report of the Auditors 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.

Hayford Doh FCCA MBA BA(Hons) (Senior Statutory Auditor)
for and on behalf of Ashford Louis
Chartered Certified Accountants
& Statutory Auditors
187 High Road Leyton
London
E15 2BY

30 June 2020

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

		PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
	Notes		
TURNOVER		8,079,901	3,923,260
Cost of sales		<u>2,485,978</u>	<u>1,125,276</u>
GROSS PROFIT		5,593,923	2,797,984
Administrative expenses		<u>5,198,332</u>	<u>2,164,521</u>
OPERATING PROFIT	4	395,591	633,463
Interest receivable and similar income		<u>10,569</u>	<u>-</u>
		406,160	633,463
Interest payable and similar expenses	5	<u>5,100</u>	<u>1,338</u>
PROFIT BEFORE TAXATION		401,060	632,125
Tax on profit	6	<u>-</u>	<u>25,739</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>401,060</u>	<u>606,386</u>
Profit attributable to:			
Owners of the parent		<u>401,060</u>	<u>606,386</u>

The notes form part of these financial statements

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

	Notes	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
PROFIT FOR THE PERIOD		401,060	606,386
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>401,060</u>	<u>606,386</u>
Total comprehensive income attributable to: Owners of the parent		<u>401,060</u>	<u>606,386</u>

RACINE RESTAURANTS LIMITED (REGISTERED NUMBER: 07457948)**CONSOLIDATED BALANCE SHEET****30 JUNE 2019**

	Notes	30.6.19 £	£	31.8.18 £	£
FIXED ASSETS					
Tangible assets	8		4,531,764		2,047,963
Investments	9		<u>1,175,000</u>		<u>1,175,000</u>
			5,706,764		3,222,963
CURRENT ASSETS					
Stocks	10	59,640		-	
Debtors	11	1,961,321		1,074,039	
Cash at bank and in hand		<u>867</u>		<u>745,362</u>	
		2,021,828		1,819,401	
CREDITORS					
Amounts falling due within one year	12	<u>2,283,039</u>		<u>1,155,769</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(261,211)</u>		<u>663,632</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,445,553		3,886,595
CREDITORS					
Amounts falling due after more than one year	13		(4,171,374)		(3,013,976)
PROVISIONS FOR LIABILITIES	16		<u>(1,295)</u>		<u>(1,295)</u>
NET ASSETS			<u>1,272,884</u>		<u>871,324</u>
CAPITAL AND RESERVES					
Called up share capital	17		3,100		2,600
Share premium	18		254,513		254,513
Retained earnings	18		<u>1,015,271</u>		<u>614,211</u>
SHAREHOLDERS' FUNDS			<u>1,272,884</u>		<u>871,324</u>

The financial statements were approved by the director and authorised for issue on 26 June 2020 and were signed by:

Mrs A C Miller - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
30 JUNE 2019

	Notes	30.6.19 £	£	31.8.18 £	£
FIXED ASSETS					
Tangible assets	8	-	-	-	-
Investments	9	1,175,000	1,175,000	1,175,000	1,175,000
		<u>1,175,000</u>		<u>1,175,000</u>	
CURRENT ASSETS					
Debtors	11	4,052,376	76,302	76,302	
Cash at bank		-	971	971	
		<u>4,052,376</u>	<u>77,273</u>	<u>77,273</u>	
CREDITORS					
Amounts falling due within one year	12	526,708	57,392	57,392	
NET CURRENT ASSETS		<u>3,525,668</u>		<u>19,881</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES		4,700,668		1,194,881	
CREDITORS					
Amounts falling due after more than one year	13	4,171,374	750,000	750,000	
NET ASSETS		<u>529,294</u>	<u>444,881</u>	<u>444,881</u>	
CAPITAL AND RESERVES					
Called up share capital	17	1,000	1,000	1,000	
Share premium	18	254,513	254,513	254,513	
Retained earnings	18	273,781	189,368	189,368	
SHAREHOLDERS' FUNDS		<u>529,294</u>	<u>444,881</u>	<u>444,881</u>	
Company's profit/(loss) for the financial year		<u>84,413</u>	<u>(16,443)</u>	<u>(16,443)</u>	

The financial statements were approved by the director and authorised for issue on 26 June 2020 and were signed by:

Mrs A C Miller - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2017	2,300	7,825	254,513	264,638
Changes in equity				
Issue of share capital	300	-	-	300
Total comprehensive income	-	606,386	-	606,386
Balance at 31 August 2018	<u>2,600</u>	<u>614,211</u>	<u>254,513</u>	<u>871,324</u>
Changes in equity				
Issue of share capital	500	-	-	500
Total comprehensive income	-	401,060	-	401,060
Balance at 30 June 2019	<u>3,100</u>	<u>1,015,271</u>	<u>254,513</u>	<u>1,272,884</u>

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2017	1,000	205,811	254,513	461,324
Changes in equity				
Total comprehensive income	-	(16,443)	-	(16,443)
Balance at 31 August 2018	1,000	189,368	254,513	444,881
Changes in equity				
Total comprehensive income	-	84,413	-	84,413
Balance at 30 June 2019	1,000	273,781	254,513	529,294

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

		PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	1,110,942	821,975
Interest paid		(5,100)	(1,338)
Tax paid		(19,648)	1,432
Net cash from operating activities		<u>1,086,194</u>	<u>822,069</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,999,156)	(1,594,648)
Purchase of fixed asset investments		-	(750,000)
Interest received		10,569	-
Net cash from investing activities		<u>(2,988,587)</u>	<u>(2,344,648)</u>
Cash flows from financing activities			
New loans in year		1,157,398	2,238,477
Share issue		500	300
Net cash from financing activities		<u>1,157,898</u>	<u>2,238,777</u>
(Decrease)/increase in cash and cash equivalents		<u>(744,495)</u>	<u>716,198</u>
Cash and cash equivalents at beginning of period	2	745,362	29,164
Cash and cash equivalents at end of period	2	<u>867</u>	<u>745,362</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Profit before taxation	401,060	632,125
Depreciation charges	515,356	207,137
Finance costs	5,100	1,338
Finance income	(10,569)	-
	<u>910,947</u>	<u>840,600</u>
Increase in stocks	(59,640)	-
Increase in trade and other debtors	(887,282)	(835,955)
Increase in trade and other creditors	<u>1,146,917</u>	<u>817,330</u>
Cash generated from operations	<u><u>1,110,942</u></u>	<u><u>821,975</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 30 June 2019

	30.6.19 £	1.9.18 £
Cash and cash equivalents	<u>867</u>	<u>745,362</u>

Year ended 31 August 2018

	31.8.18 £	1.9.17 £
Cash and cash equivalents	<u>745,362</u>	<u>29,164</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

1. STATUTORY INFORMATION

Racine Restaurants Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax. The total turnover of the Group and the subsidiary companies for the year has been derived from the provision of goods and services falling within the Group and subsidiary companies' principal activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Over the period of the lease
Improvements to property	- 15% on reducing balance
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

2. **ACCOUNTING POLICIES - continued**

Accounting period

The Accounting period for the period ended 30th June 2019 covers a period of ten months from 01 September 2018 to 30 June 2019 inclusive. The comparative period ended 31 August 2018 spans over twelve months from 01 September 2017 to 31 August 2018 inclusive. The extra two months of July and August in period ended 31 August 2018 have been included to match the closing and opening reserves with the following period ended 30 June 2019.

3. **EMPLOYEES AND DIRECTORS**

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Wages and salaries	2,034,433	835,953
Social security costs	118,179	39,936
Other pension costs	35,550	7,501
	<u>2,188,162</u>	<u>883,390</u>

The average number of employees during the period was as follows:

	PERIOD 1.9.18 TO 30.6.19	YEAR ENDED 31.8.18
Production and sale	173	105
Senior management	<u>11</u>	<u>5</u>
	<u>184</u>	<u>110</u>

The average number of employees by undertakings that were proportionately consolidated during the period was 184 (2018 - 110) .

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Director's remuneration	<u>29,271</u>	<u>26,530</u>

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Other operating leases	15,977	1,317
Depreciation - owned assets	515,355	207,136
Auditors' remuneration	<u>20,000</u>	<u>-</u>

RACINE RESTAURANTS LIMITED (REGISTERED NUMBER: 07457948)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Other interest charges	5,100	588
Fines and penalties	-	750
	<u>5,100</u>	<u>1,338</u>

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	PERIOD 1.9.18 TO 30.6.19 £	YEAR ENDED 31.8.18 £
Current tax:		
UK corporation tax	-	25,739
Tax on profit	<u>-</u>	<u>25,739</u>

7. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

8. **TANGIBLE FIXED ASSETS**

Group

	Long leasehold £	Improvements to property £	Plant and machinery £
COST			
At 1 September 2018	1,152,515	240,053	289,461
Additions	46,553	2,116,261	385,325
At 30 June 2019	<u>1,199,068</u>	<u>2,356,314</u>	<u>674,786</u>
DEPRECIATION			
At 1 September 2018	38,883	-	46,112
Charge for period	96,559	221,082	76,000
At 30 June 2019	<u>135,442</u>	<u>221,082</u>	<u>122,112</u>
NET BOOK VALUE			
At 30 June 2019	<u>1,063,626</u>	<u>2,135,232</u>	<u>552,674</u>
At 31 August 2018	<u>1,113,632</u>	<u>240,053</u>	<u>243,349</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

8. **TANGIBLE FIXED ASSETS - continued**

Group

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2018	781,690	119,042	2,582,761
Additions	420,195	30,822	2,999,156
At 30 June 2019	<u>1,201,885</u>	<u>149,864</u>	<u>5,581,917</u>
DEPRECIATION			
At 1 September 2018	360,527	89,276	534,798
Charge for period	112,763	8,951	515,355
At 30 June 2019	<u>473,290</u>	<u>98,227</u>	<u>1,050,153</u>
NET BOOK VALUE			
At 30 June 2019	<u>728,595</u>	<u>51,637</u>	<u>4,531,764</u>
At 31 August 2018	<u>421,163</u>	<u>29,766</u>	<u>2,047,963</u>

9. **FIXED ASSET INVESTMENTS**

Group

	Unlisted investments £
COST	
At 1 September 2018 and 30 June 2019	<u>1,175,000</u>
NET BOOK VALUE	
At 30 June 2019	<u>1,175,000</u>
At 31 August 2018	<u>1,175,000</u>

Company

	Unlisted investments £
COST	
At 1 September 2018 and 30 June 2019	<u>1,175,000</u>
NET BOOK VALUE	
At 30 June 2019	<u>1,175,000</u>
At 31 August 2018	<u>1,175,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

9. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Name of Subsidiary	Registered Office Address	Nature of Business	Interest
Park Lane Patisserie Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Leasing and renting of commercial properties	100% Ordinary shares
Oratoire Limited	42 Hans Crescent, London, SW1X 0LX . UK	Leasing and renting of commercial properties	100% Ordinary shares
Park Lane Food Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Cafe and restaurant	100% Ordinary shares
Pomenta Limited	239 Brompton Road, London. UK	Cafe and restaurant	100% Ordinary shares
Elan Speciality Coffee Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Cafe and restaurant	100% Ordinary shares
Market Place Patisserie Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Leasing and renting of commercial properties	100% Ordinary shares
Market Place Food Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Cafe and restaurant	100% Ordinary shares
Hans Crescent Patisserie Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Leasing and renting of commercial properties	100% Ordinary shares
Hans Crescent Food Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Cafe and restaurant	100% Ordinary shares
Lowndes Street Patisserie Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Leasing and renting of commercial properties	100% Ordinary shares
Lowndes Street Food Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Cafe and restaurant	100% Ordinary shares
EL&N Limited	Jubilee House, Townsend Lane, London NW9 8TZ. UK	Head Office and online sales	100% Ordinary shares

All the above subsidiaries are included in the consolidation. The company's investment in Park Lane Patisserie Limited; Oratoire Limited; Market Place Patisserie Limited; Hans Crescent Patisserie Limited; Lowndes Street Patisserie Limited; Elan Speciality Coffee Limited and EL&N Limited are direct ownership, all other investments are indirect ownership.

10. **STOCKS**

		Group
	30.6.19	31.8.18
	£	£
Stocks	<u>59,640</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.19	31.8.18	30.6.19	31.8.18
	£	£	£	£
Trade debtors	343,387	441,774	-	-
Amounts owed by group undertakings	-	-	3,970,166	75,192
Other debtors	519,274	224,232	82,210	1,110
Rent deposit	632,470	314,000	-	-
VAT	-	9,211	-	-
Prepayments	466,190	84,822	-	-
	<u>1,961,321</u>	<u>1,074,039</u>	<u>4,052,376</u>	<u>76,302</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.19	31.8.18	30.6.19	31.8.18
	£	£	£	£
Trade creditors	1,454,323	455,952	-	3,000
Amounts owed to group undertakings	-	-	455,396	1,080
Tax	6,091	25,739	-	-
Social security and other taxes	185,794	37,309	-	-
Pension cost payable	36,639	11,010	-	-
VAT	193,578	-	-	-
Other creditors	126,163	495,474	48,018	53,018
Net wages control	226,370	120,854	-	-
Directors' current accounts	9,431	9,431	294	294
Accrued expenses	44,650	-	23,000	-
	<u>2,283,039</u>	<u>1,155,769</u>	<u>526,708</u>	<u>57,392</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30.6.19	31.8.18	30.6.19	31.8.18
	£	£	£	£
Other loans (see note 14)	<u>4,171,374</u>	<u>3,013,976</u>	<u>4,171,374</u>	<u>750,000</u>

The Other Creditors amounting to £3,421,374 (2018 : £2,263,976) is an amount owed to Black Point Partnership Limited. This loan is free of any charges and it is for business development and expansion purposes.

The Convertible loan is issued by Racine Restaurants Limited in favour of Black Point Limited for advancing £750,000 towards the acquisition of Park Lane Patisserie Limited.

RACINE RESTAURANTS LIMITED (REGISTERED NUMBER: 07457948)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	30.6.19	31.8.18	30.6.19	31.8.18
	£	£	£	£
Amounts falling due between two and five years:				
Other loans - 2-5 years	3,421,374	2,263,976	3,421,374	-
Other convertible loans	750,000	750,000	750,000	750,000
	<u>4,171,374</u>	<u>3,013,976</u>	<u>4,171,374</u>	<u>750,000</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	30.6.19	31.8.18
	£	£
Within one year	940,000	400,450
Between one and five years	2,820,000	-
	<u>3,760,000</u>	<u>400,450</u>

Operating leases relate to rental payable and are chargeable to the Consolidated Statement of Income on a straightened basis over the term..

16. PROVISIONS FOR LIABILITIES

	Group	
	30.6.19	31.8.18
	£	£
Deferred tax	<u>1,295</u>	<u>1,295</u>
Group		
		Deferred tax
		£
Balance at 1 September 2018		<u>1,295</u>
Balance at 30 June 2019		<u>1,295</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.19	31.8.18
			£	£
1,000	Ordinary shares	£1	<u>3,100</u>	<u>2,600</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 SEPTEMBER 2018 TO 30 JUNE 2019

18. **RESERVES**

Group

	Retained earnings £	Share premium £	Totals £
At 1 September 2018	614,211	254,513	868,724
Profit for the period	401,060		401,060
At 30 June 2019	<u>1,015,271</u>	<u>254,513</u>	<u>1,269,784</u>

Company

	Retained earnings £	Share premium £	Totals £
At 1 September 2018	189,368	254,513	443,881
Profit for the period	84,413		84,413
At 30 June 2019	<u>273,781</u>	<u>254,513</u>	<u>528,294</u>

19. **PENSION COMMITMENTS**

The company operates a define contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost and charge represents contribution payable by the company to the fund and amounted to £35,550 (2018 : £7,501). There were no prepaid or accrued contribution at 30 June 2019 or 31 August 2018.

20. **GOING CONCERN**

The company's forecasts and projections, taking account of possible changes in trading performance, show that the Company should be able to operate without the need for external facilities (outside of the Group) for the foreseeable future. Even with the coronavirus outbreak having a huge impact on human society and economy with the restaurant industry sustaining one of the heaviest blows, the director is optimistic that with the numerous business support schemes introduced by the Government, the company will continue in operational existence for the foreseeable future.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.