

ANNUAL REPORT AND FINANCIAL  
STATEMENTS

FOR THE PERIOD ENDED

26 APRIL 2020

DAISY GREEN FOOD LIMITED

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# DAISY GREEN FOOD LIMITED

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## COMPANY INFORMATION

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Directors	P E Freeman T D Onions
Registered number	08024998
Registered office	1 Manchester Square London United Kingdom W1U 3AB
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor 1st Floor Midas House 62 Goldsworth Road Woking Surrey GU21 6LQ

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# DAISY GREEN FOOD LIMITED

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# DAISY GREEN FOOD LIMITED

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## STRATEGIC REPORT FOR THE PERIOD ENDED 26 APRIL 2020

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### Introduction

The Directors present their Strategic Report and audited financial statements for the 52 week period ended 26 April 2020.

### Business review

The Company operates a group of Antipodean cafes, bars and restaurants in London. During the period the company opened one new site, Barbie Green in the City of London.

During the final two months of the period the business was significantly impacted by COVID-19 with all sites forced to close from 17th of March 2020 for the first lockdown. The Company worked quickly to prepare the business for the pandemic period, pausing critical service contracts, utilising government grants, rates and VAT relief schemes as well as the furlough scheme to retain key employees. The business positioned itself to be able to operate on a very flexible basis by site and offering (take away, delivery, direct to consumer) to ensure brand continuity and profitability as the economy reopened.

The company opened two new sites in the 52 week period to 25 April 2021.

### Principal risks and uncertainties

The business and hospitality sector as a whole are susceptible to consumer confidence. As the economic outlook continues to be uncertain due to COVID-19 and Brexit, and eating out for most people is discretionary, there may be further pressure on confidence and demand.

A key operational risk for the business is its ability to attract and retain talent, both back and front of house. The Company invests heavily in people, technology and training to mitigate these risks.

There is limited credit risk as the vast majority of customers pay by credit card at the point of sale.

There is limited exchange rate risk as the majority of purchases are made within the UK.

Stringent liquidity management is critical to the business and the Directors believe that maintaining a healthy cash balance is a prudent approach for the current market conditions.

The impact of COVID-19 on key costs is not yet clear. Short term savings on rates, VAT, rents, paused service contracts are currently being offset by increased costs of safety and compliance, fixed costs, labour and cost inflation. There is risk that some increased costs will endure post COVID-19 however the Director's believe that these will be offset by other savings achieved.

The Directors have taken steps to reduce costs wherever possible and fully utilise the various government grants and schemes available, including obtaining a CBILS loan post year end to support COVID-19 working capital requirements.

### Future developments

The Company's strategy is to continue to invest in new sites in the UK whilst investing in the required teams, infrastructure and processes to support this growth. Additionally to maintain, improve and grow 'like for like' performances in existing sites as well as grow its direct to consumer businesses (coffee, lamingtons, lifestyle).

The Company opened two new sites in the 52 week period to 25 April 2021 and expects to open one or two sites per year moving forward as well as continue to grow shareholder value through the expansion of its direct to consumer business.

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# DAISY GREEN FOOD LIMITED

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## STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 26 APRIL 2020

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### Financial key performance indicators

The Directors consider the following information to be key indicators of the Company's performance:

	<b>26 April 2020</b>	<i>28 April 2019</i>
	<b>£</b>	<i>£</i>
Sales	<b>8,221,958</b>	<i>8,204,303</i>
Adjusted EBITDA	<b>915,934</b>	<i>869,032</i>

Adjusted EBITDA reported is EBITDA £702,919 (2019: £414,858) with new site opening costs, one off directors expenses and kitchen scaling up expenses (totalling £71,267 (2019: £46,659) relating to lower central kitchen utilisation due to new sites being delayed).

The 2019 results above show the consolidated results for Daisy Green Food Limited and Daisy Green Food Marble Arch Limited, following the hive up of Daisy Green Food Marble Arch Limited. Daisy Green Food Marble Arch Limited was hived up into Daisy Green Food Limited on 28 April 2019 and moving forward will be reported as one entity.

The Directors are satisfied with the turnover growth and the adjusted EBITDA achieved, particularly considering the challenges faced in the final two months of trading.

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

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**P E Freeman**  
Director

Date: 31 August 2021

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# DAISY GREEN FOOD LIMITED

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## DIRECTORS' REPORT FOR THE PERIOD ENDED 26 APRIL 2020

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The directors present their report and the financial statements for the period ended 26 April 2020.

### Directors

The directors who served during the period were:

P E Freeman  
T D Onions

### Directors' responsibilities statement

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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future despite the COVID-19 pandemic. For this reason, the directors continue to adopt the ongoing concern basis of accounting in preparing the annual financial statements. Please see note 2.3 for detail.

### Results and dividends

The loss for the period, after taxation, amounted to £21,243 (2019 - loss £313,078).

### Matters covered in the strategic report

In accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the Strategic Report preceding the Directors' Report includes information that would formerly have been included in the business review and the principal risk and uncertainties sections of the Directors' Report.

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# DAISY GREEN FOOD LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 26 APRIL 2020

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### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Post balance sheet events

There have been no significant events affecting the Company since the year end.

### Auditors

The auditor, Menzies LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

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**P E Freeman**

Director

Date: 31 August 2021

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAISY GREEN FOOD LIMITED

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**Opinion**

We have audited the financial statements of Daisy Green Food Limited (the 'Company') for the period ended 28 April 2020, which comprise the Statement of income and retained earnings, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 April 2020 and of its 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

**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 Auditors' 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.

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.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAISY GREEN FOOD LIMITED  
(CONTINUED)**

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**Opinion 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 Strategic report and the Directors' report for the financial period 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.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 set out on page 3, 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.

**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 an Auditors' 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAISY GREEN FOOD LIMITED  
(CONTINUED)**

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**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 Auditors' 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.

Tom Woods ACA (Senior statutory auditor)

for and on behalf of

**Menzies LLP**

Chartered Accountants

Statutory Auditor

1st Floor

Midas House

62 Goldsworth Road

Woking

Surrey

GU21 6LQ

31 August 2021

# DAISY GREEN FOOD LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 26 APRIL 2020

		2020 £	As restated 2019 £
Turnover	4	8,221,958	7,420,379
Cost of sales		(2,478,086)	(2,465,531)
<b>Gross profit</b>		<b>5,743,872</b>	<b>4,954,848</b>
Administrative expenses		(6,976,911)	(5,833,888)
Other operating income	5	1,433,482	710,631
<b>Operating profit/(loss)</b>	6	<b>200,443</b>	<b>(168,409)</b>
Interest payable and similar expenses	10	(199,742)	(197,902)
<b>Profit/(loss) before tax</b>		<b>701</b>	<b>(366,311)</b>
Tax on profit/(loss)	11	(21,944)	53,233
<b>Loss after tax</b>		<b>(21,243)</b>	<b>(313,078)</b>
<b>Retained earnings</b>			
- as previously stated		(1,385,636)	(987,123)
- correction of a prior period error		-	(85,435)
<b>At the beginning of the period as restated</b>		<b>(1,385,636)</b>	<b>(1,072,558)</b>
Loss for the period		(21,243)	(313,078)
<b>Retained earnings at the end of the period</b>		<b>(1,406,879)</b>	<b>(1,385,636)</b>

The notes on pages 13 to 25 form part of these financial statements.

# DAISY GREEN FOOD LIMITED

REGISTERED NUMBER:08024998

## STATEMENT OF FINANCIAL POSITION AS AT 26 APRIL 2020

	Note	26 April 2020 £	As restated 28 April 2019 £
<b>Fixed assets</b>			
Tangible assets	12	5,127,772	3,517,710
Investments	13	25,511	3
		<u>5,153,283</u>	<u>3,517,713</u>
<b>Current assets</b>			
Stocks		59,732	59,911
Debtors: amounts falling due after more than one year	14	290,487	232,287
Debtors: amounts falling due within one year	14	588,425	459,344
Cash at bank and in hand		420,772	1,013,832
		<u>1,359,416</u>	<u>1,765,374</u>
Creditors: amounts falling due within one year	15	(3,127,912)	(2,569,338)
<b>Net current liabilities</b>		<u>(1,768,496)</u>	<u>(803,964)</u>
<b>Total assets less current liabilities</b>		<u>3,384,787</u>	<u>2,713,749</u>
Creditors: amounts falling due after more than one year	16	(2,699,200)	(2,097,051)
<b>Provisions for liabilities</b>			
Deferred tax		(21,944)	-
Other provisions	18	(272,706)	(204,518)
		<u>(294,650)</u>	<u>(204,518)</u>
<b>Net assets</b>		<u><u>390,937</u></u>	<u><u>412,180</u></u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Share premium account	20	1,797,814	1,797,814
Profit and loss account	20	(1,406,879)	(1,385,636)
		<u>390,937</u>	<u>412,180</u>

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

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**P E Freeman**  
Director

Date: 31 August 2021

The notes on pages 13 to 25 form part of these financial statements.

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# DAISY GREEN FOOD LIMITED

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## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 26 APRIL 2020

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	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 May 2018 (as previously stated)</b>	<b>2</b>	<b>-</b>	<b>(987,123)</b>	<b>(987,121)</b>
Prior year adjustment	-	-	(85,435)	(85,435)
<b>At 1 May 2018 (as restated)</b>	<b>2</b>	<b>-</b>	<b>(1,072,558)</b>	<b>(1,072,556)</b>
Loss for the year	-	-	(313,078)	(313,078)
Shares issued during the year	-	1,797,814	-	1,797,814
<b>At 29 April 2019</b>	<b>2</b>	<b>1,797,814</b>	<b>(1,385,636)</b>	<b>412,180</b>
Loss for the period	-	-	(21,243)	(21,243)
<b>At 26 April 2020</b>	<b>2</b>	<b>1,797,814</b>	<b>(1,406,879)</b>	<b>390,937</b>

The notes on pages 13 to 25 form part of these financial statements.

# DAISY GREEN FOOD LIMITED

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 26 APRIL 2020

	26 April 2020 £	28 April 2019 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial period	(21,243)	(313,078)
<b>Adjustments for:</b>		
Depreciation of tangible assets	502,476	343,604
Loss on disposal of tangible assets	-	733
Interest paid	199,742	197,902
Decrease/(increase) in stocks	179	(2,338)
(Increase) in debtors	(187,281)	(90,764)
Increase in creditors	1,012,145	190,118
(Decrease)/increase in amounts owed to groups	(58)	246,017
Increase in provisions	90,132	18,886
<b>Net cash generated from operating activities</b>	<b>1,596,092</b>	<b>591,080</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(2,112,538)	(1,121,332)
Acquisition of tangible fixed assets from group	-	(28,018)
Purchase of unlisted investments	(25,508)	-
<b>Net cash from investing activities</b>	<b>(2,138,046)</b>	<b>(1,149,350)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	1,797,814
Repayment of loans	(51,106)	(292,291)
<b>Net cash used in financing activities</b>	<b>(51,106)</b>	<b>1,505,523</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(593,060)</b>	<b>947,253</b>
Cash and cash equivalents at beginning of period	1,013,832	66,579
<b>Cash and cash equivalents at the end of period</b>	<b>420,772</b>	<b>1,013,832</b>
<b>Cash and cash equivalents at the end of period comprise:</b>		
Cash at bank and in hand	420,772	1,013,832
	<b>420,772</b>	<b>1,013,832</b>

The notes on pages 13 to 25 form part of these financial statements.

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# DAISY GREEN FOOD LIMITED

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## ANALYSIS OF NET DEBT FOR THE PERIOD ENDED 26 APRIL 2020

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	At 29 April 2019 £	Cash flows £	At 26 April 2020 £
Cash at bank and in hand	1,013,832	(593,060)	420,772
Debt due after 1 year	(2,097,051)	31,364	(2,065,687)
Debt due within 1 year	(461,495)	(15,607)	(477,102)
	<u>(1,544,714)</u>	<u>(577,303)</u>	<u>(2,122,017)</u>

The notes on pages 13 to 25 form part of these financial statements.

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 1. General information

Daisy Green Food Limited is a private company, limited by shares, registered in England and Wales. The registered office and principal place of business can be found on the company information page.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentation currency is GBP.

The following principal accounting policies have been applied:

#### 2.2 Preparation of consolidated financial statements

The only active Company within the Group is Daisy Green Food Limited. As the only other subsidiary (Daisy Green Marble Arch Limited) was dormant for the period the directors have chosen not to prepare consolidated financial statements.

#### 2.3 Going concern

Whilst the pandemic period has presented the hospitality industry with unprecedented levels of operational uncertainty it has demonstrated that its offering remains resilient and in demand. Future pandemic associated business interruption continues to threaten, but the Company has taken appropriate measures to reasonably expect that it will have adequate resources to continue to trade for the next 12 months following the signing of the audit report. This includes the negotiation of an additional CBILS working capital facility, a demonstrated ability to conserve and grow cash balances, strong and supportive relationships with landlords and key suppliers.

At 26 April 2020, the Company had a net current liability balance, a significant portion of which related to an intercompany balance set to be cleared through the receipt of a dividend. The directors are confident that the Company will trade profitably and in a cash generating manner post year end, which will generate sufficient funds to cover the remaining net current liabilities as they fall due. Therefore it is appropriate to prepare the financial statements on a going concern basis.

#### 2.4 Turnover

Revenue represents net invoiced food and drink sales from a number of restaurants in the UK.

Revenue is recognised once the food and drink has been delivered to the customers and a sales transaction with the customer has been recognised using a tillage system.

#### 2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.



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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 2. Accounting policies (continued)

#### 2.6 Other operating income

Other operating income consists of 12.5% service charges on food and drink, which are collected and recognised upon point of sale. Subsequent payments are processed through payroll and are included within administrative expenses.

Also included in other operating income are capital contribution lease incentives, which are released to the Statement of income and retained earnings over the length of the lease to which they relate.

#### 2.7 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.8 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-
	over term of the lease
Plant and machinery	-
	20% to 50% straight line
Motor vehicles	-
	25% straight line
Fixtures and fittings	-
	over 10 to 15 years straight line
Computer equipment	-
	20% straight line

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 profit or loss.

Artwork (held within fixtures, fittings and equipment) is not depreciated as the directors believe that the value of these items does not diminish and the residual value of the artwork will be at least that paid for it by the company.

#### 2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 2. Accounting policies (continued)

#### 2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

#### 2.11 Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

#### 2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

#### 2.13 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The key estimates and assumptions used in these accounts are set out below.

#### Judgements:

##### a) Impairment of fixed assets

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

##### b) Onerous leases

At each reporting date the Company considers whether any leases are considered to be onerous. Leases considered to be onerous would be recognised as a liability within the Statement of Financial Position. Sales, gross profitability and EBITDA are reviewed when management consider whether leases are onerous.

##### c) Capitalisation of directors time

The company capitalises time incurred by employees and directors with regard to getting tangible fixed assets into the state in which they can be used. This includes time incurred by directors which would otherwise have been incurred by third parties with respect to legal and architect's fees. The Directors record the time incurred in respect of these activities and consider that they are best reflected within tangible fixed assets, with the respective cost being depreciated over the time in which the costs will generate a benefit to the company. Remaining costs incurred relating to wages and salaries for Directors and other staff in relation to opening new stores and the general running of the business are expensed.

#### Estimates:

##### a) Dilapidations provision

The Company includes a provision for dilapidations within the Statement of Financial Position. Dilapidation provisions are based on an estimate of the future expected cost of returning restaurant sites to their previous states, as required by the leases to which they relate. The estimated costs are discounted to their present value and unwound over the length of the respective leases. Depreciation of the tangible fixed asset component is released to

the Statement of Income and Retained Earnings over the same period.

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Resturant sales of food and drink	8,221,958	7,420,379
	<u>8,221,958</u>	<u>7,420,379</u>

All turnover arose within the United Kingdom.

# DAISY GREEN FOOD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

### 5. Other operating income

	2020 £	2019 £
Other operating income	940,518	710,631
Coronavirus Job Retentions Scheme	417,964	-
Government Grants	75,000	-
	<u>1,433,482</u>	<u>710,631</u>

Government grants relate to business rates grants of £75,000 (2019: £Nil).

Included within other operating income are service charges of £835,570 (2019: £637,818).

### 6. Operating profit/(loss)

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

	2020 £	2019 £
Other operating lease rentals	901,938	726,682
Depreciation on tangible fixed assets	408,310	343,604
Savings in respect of business rates relief	<u>75,000</u>	<u>-</u>

### 7. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £ (2019 - ).

### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	As restated 2019 £
Wages and salaries	3,932,231	3,362,445
Social security costs	243,763	197,392
Cost of defined contribution scheme	66,682	39,372
	<u>4,242,676</u>	<u>3,599,209</u>

The above includes capitalised amounts, which were £306,914 (2019: £215,972), these can be seen in the fixed asset note.

The number of employees, including directors, during the period was 172 (2019 -166).

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 9. Directors' remuneration

	2020 £	<i>As restated</i> 2019 £
Director's emoluments	278,383	235,850
	<u>278,383</u>	<u>235,850</u>

The directors emoluments includes capitalised amounts, which were £192,128 (2019: £70,977), these can be seen in the fixed asset note.

### 10. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	2,748	7
Other loan interest payable	196,994	197,895
	<u>199,742</u>	<u>197,902</u>

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 11. Taxation

	2020 £	2019 £
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	21,944	(53,233)
<b>Total deferred tax</b>	21,944	(53,233)
<b>Taxation on profit/(loss) on ordinary activities</b>	21,944	(53,233)

#### Factors affecting tax charge for the period/year

The tax assessed for the period is higher than (2019 -higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	701	(366,311)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 -19%)	133	(69,599)
<b>Effects of:</b>		
Other timing differences leading to an increase (decrease) in taxation	(133)	-
Fixed asset differences	60,553	32,953
Expenses not deductible for tax purposes	1,977	1,030
Other permanent differences	2,991	224
Adjustments to losses	(3,533)	-
Group relief surrendered	-	44,532
Adjustments to tax charge in respect of previous periods	(61,988)	(9,140)
Adjustments to tax charge in respect of previous - deferred tax	21,944	(53,233)
<b>Total tax charge for the period/year</b>	21,944	(53,233)

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# DAISY GREEN FOOD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

### 12. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 29 April 2019	1,877,970	736,360	54,171	1,713,033	120,573	4,502,107
Additions	403,980	231,120	-	1,464,040	13,398	2,112,538
At 26 April 2020	2,281,950	967,480	54,171	3,177,073	133,971	6,614,645
<b>Depreciation</b>						
At 29 April 2019	193,242	279,771	54,171	431,677	25,536	984,397
Charge for the period on owned assets	163,766	96,763	-	215,250	26,697	502,476
At 26 April 2020	357,008	376,534	54,171	646,927	52,233	1,486,873
<b>Net book value</b>						
At 26 April 2020	<u>1,924,942</u>	<u>590,946</u>	<u>-</u>	<u>2,530,146</u>	<u>81,738</u>	<u>5,127,772</u>
At 28 April 2019	<u>1,684,728</u>	<u>456,589</u>	<u>-</u>	<u>1,281,356</u>	<u>95,037</u>	<u>3,517,710</u>

Artwork with a net book value of £335,647 (2019: £223,415) is disclosed in Fixtures and fittings, as per the accounting policy, no depreciation has been charged in relation to this artwork.

# DAISY GREEN FOOD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

### 13. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 29 April 2019	3
Additions	25,508
At 26 April 2020	<u>25,511</u>

The company's investments at the balance sheet date are in the share capital of the following companies:

Daisy Green Food Marble Arch Limited - 100% holding of the company. The registered office address is 1 Manchester Square, London, United Kingdom, W1U 3AB.

Liberty Brewing Limited - 0.4% holding of the company. The registered office address is Freedom Brewery Bagots Park, Abbots Bromley, Rugeley, Staffordshire, England, WS15 3ER

Also included within the above is a £505 investment in the crowdfunding platform Crowdcube. The registered office address is Fourth Floor, Broadwalk House (South Block), Exeter, Devon, England, EX1 1TS.

### 14. Debtors

	26 April 2020 £	As restated 28 April 2019 £
<b>Due after more than one year</b>		
Other debtors	290,487	232,287
	<u>290,487</u>	<u>232,287</u>
<b>Due within one year</b>		
Trade debtors	12,770	203,148
Other debtors	554,022	85,144
Prepayments and accrued income	21,633	171,052
	<u>588,425</u>	<u>459,344</u>



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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 15. Creditors: Amounts falling due within one year

	26 April 2020 £	28 April 2019 £
Banks loans	360,000	180,000
Trade creditors	1,302,372	816,434
Amounts owed to group undertakings	467,009	467,067
Other taxation and social security	223,525	349,188
Other creditors	311,835	515,750
Accruals and deferred income	463,171	240,899
	<u>3,127,912</u>	<u>2,569,338</u>

The bank loans shown above of £360,000 (2019: £180,000) are secured via a fixed and floating charge over the assets of the company.

### 16. Creditors: Amounts falling due after more than one year

	26 April 2020 £	28 April 2019 £
Bank loans	2,065,687	2,097,051
Accruals and deferred income	633,513	-
	<u>2,699,200</u>	<u>2,097,051</u>

The bank loans shown above of £2,065,687 (2019: £2,097,051) are secured via a fixed and floating charge over the assets of the company.

### 17. Deferred taxation

	2020 £	2019 £
At beginning of year	-	(52,356)
Charged to profit or loss	(21,944)	52,356
At end of year	<u>(21,944)</u>	<u>-</u>

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 17. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	26 April 2020 £	28 April 2019 £
Fixed asset timing differences	(220,353)	-
Short term timing differences	2,608	-
Losses and other deductions	195,801	-
	<u>(21,944)</u>	<u>-</u>

### 18. Provisions

	Dilapidation provision £
At 29 April 2019	204,518
Increase in provision	68,188
<b>At 26 April 2020</b>	<b><u>272,706</u></b>

The provision recognised for dilapidations is an estimate of the costs which would be incurred to bring leasehold property back to its original state. The final cost incurred could differ from that provided for, and the timing of the release of the provision may also differ from that expected depending on the final exit date from the leasehold premises.

### 19. Share capital

	26 April 2020 £	28 April 2019 £
<b>Allotted, called up and fully paid</b>		
1,994,700 (2019 - 1,994,700) B Investment shares of £0.00000011 each		
18,000,000 (2019 - 18,000,000) Ordinary A shares of £0.00000011 each	<u>2</u>	<u>2</u>

B Investment shares have full rights with respect to dividends and distributions.

Ordinary A shares have full rights with respect to voting, dividends, and distributions.

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 20. Reserves

#### Share premium account

The Share Premium Account records the amounts received from the allotment of new shares in excess of the nominal value of the shares allotted, less any expenses directly related to such allotments.

#### Profit and loss account

This reserve records retained earnings and accumulated losses.

### 21. Share based payments

#### *Equity-settled share based payments*

The Company has a share option scheme for some key management personnel (not including directors). Options are exercisable at a price equal to the average market price of the Company's shares on the date of the grant. The options may be exercised on the sale or floatation of the company, if within 10 years.

Options are forfeited if the employee leaves the Company before the options may be exercised.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	<b>26 April</b> <b>Weighted</b> <b>average exercise</b> <b>price (pence)</b> <b>2020</b>	<b>26 April</b> <b>Number</b> <b>2020</b>	<i>28 April</i> <i>Weighted average</i> <i>exercise price</i> <i>(pence)</i> <i>2019</i>	<i>28 April</i> <i>Number</i> <i>2019</i>
Granted during the year	0.30	122,500		-
<b>Outstanding at the end of the year</b>	<b>0.33</b>	<b>122,500</b>		-

The directors consider the value of the share options to be immaterial.

The Company recognised total expenses of £Nil (2019: £Nil) related to equity-settled share-based payment transactions during the year.

### 22. Prior year adjustment

A prior year adjustment has been included within the financial statements in relation to reclassifying rental deposits held. An amount of £232,287 was reclassified between debtors: amounts due within one year and debtors: amounts due in greater than one year. There is no profit impact of this adjustment.

A prior year adjustment has also been identified in relation to recognition of rent free accruals. The impact of this adjustment was to increase accruals by £46,384, decrease profit and loss brought forward as at 1 May 2018 by £33,481, there was a profit decreasing effect of this adjustment in the period to 28 April 2019, amounting to £12,903.

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# DAISY GREEN FOOD LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 APRIL 2020

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### 23. Commitments under operating leases

At 26 April 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	26 April 2020 £	28 April 2019 £
Not later than 1 year	840,855	553,708
Later than 1 year and not later than 5 years	2,830,437	1,929,958
Later than 5 years	4,815,258	484,191
	<u>8,486,550</u>	<u>2,967,857</u>

### 24. Related party transactions

During the year transactions were undertaken with a related company which is a related party by virtue of the company being under common control by both directors. Purchases of £34,508 (2019: £Nil) were made and advances of £16,800 (2019: £17,112) were made to this company. At the year end the Daisy Green Food Limited was owed £68,060 (2019: £50,352) by the related party.

During the year the following transactions with a director took place:

	Brought Forward £	Advance/ Credit £	Repaid £	Carried Forward £
Director Loan	24,237	109,605	87,441	46,401
	<u>24,237</u>	<u>109,605</u>	<u>87,441</u>	<u>46,401</u>

### 25. Controlling party

At the year end, P E Freeman and T D Onions were equal shareholders of the company and ultimate controlling parties.

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