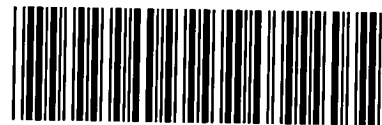


**Registered number: 08106545**

**WASABI SUSHI BENTO LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

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## **WASABI SUSHI BENTO LIMITED**

### **CONTENTS**

	Page(s)
Company Information	1
Strategic report	2-3
Directors' Report	4-7
Independent Auditors' Report to the Members of Wasabi Sushi Bento Limited	8-11
Statement of Comprehensive Income	12
Balance Sheet	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15-24

## **WASABI SUSHI BENTO LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	D H Kim H Birts M O'Mahoney
<b>Company secretary</b>	M O'Mahoney
<b>Registered number</b>	08106545
<b>Registered Office</b>	Unit 5 Origin Business Park Rainsford Road Park Royal London NW10 7FW
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 40 Clarendon Road Watford Hertfordshire WD17 1JJ
<b>Solicitors</b>	Gordons Partnership LLP Upper Edgeborough Road Guildford GU1 2BJ

## **WASABI SUSHI BENTO LIMITED**

### **STRATEGIC REPORT FOR THE 52 WEEK PERIOD ENDED 25TH DECEMBER 2021**

The Directors present their strategic report of Wasabi Sushi Bento Limited ("the Company") for the 52 week period ended 25<sup>th</sup> December 2021 (2020: 52 weeks ended 26<sup>th</sup> December 2020).

#### **Principal activities**

The principal activity of the Company is that of an investment holding company. At the balance sheet date, the Company holds a direct investment in all of the trading companies in the Wasabi Group.

The Company has no stores or employees.

#### **Business review**

The loss for the 52 week period amounted to £nil (2020: £15,334,333). At the balance sheet date, the Company has net assets of £3,462,810 (2019: £3,462,811).

Wasabi has been a successful business for a number of years in the UK, primarily operating in City centres catering to business district workers, tourists and students alike as well as trading in some of the UK's busiest transport hubs. It is these areas which were most adversely impacted by dramatic reductions in footfall in 2020. Similar to other food-retail businesses in the UK and globally, the COVID-19 pandemic had continued to present challenges for the business in 2021. Sales continued to be in negative like-for-like for the year, however, post 2021, the business has seen an improvement across its estate with like-for-like now in line with pre COVID 2019 sales.

Wasabi's store business has also evolved in 2020 and 2021 and stores have been able to stay profitable even at reduced sales levels versus 2019. Wasabi continued to expand across London in city and suburban areas with new sites in London Bridge, Bishopsgate, Putney and Clapham Junction in 2021. The business also opened Kingston in early 2022. The expansion into more suburban areas is a result of the strong sales performance of similar suburban sites such as Ealing Broadway.

The Group continues to research and evaluate opportunities to expand its portfolio within the UK and to maintain its competitive position in the food to go sector. The Group has plans to open further restaurants in the UK and remains confident that these will be successful and that it is able to improve the level of performance of its existing portfolio at the same time.

## **WASABI SUSHI BENTO LIMITED**

### **STRATEGIC REPORT (continued)**

**FOR THE 52 WEEK PERIOD ENDED 25<sup>TH</sup> DECEMBER 2021**

#### **Key Performance Indicators**

As an investment holding company, the Board does not consider that there are any Key Performance Indicators for the Company which require monitoring on a regular basis, and instead the position of the Company is considered in the wider context of the Group as a whole. The Group, which includes the Company has four specific objectives, each with their own key performance indicators which measure performance against those four objectives. They are as follows:

- |   |                                |
|---|--------------------------------|
| 1 | <b>Turnover</b>                |
| 2 | <b>Gross Profit</b>            |
| 3 | <b>Operating profit/(loss)</b> |
| 4 | <b>EBITDA</b>                  |

The Group Financial Director provides regular updates on progress against the key performance indicators to the Board, whose members include the Directors and the senior leadership team. The Group's performance against these key performance indicators is discussed in the Strategic Report of the Wasabi 2019 Limited Financial Statements and does not form part of this report.

The principal risks for the company relate to the ability of its trading subsidiaries to continue to trade and provide cashflow to the Company to enable it to make intercompany payments. The Directors are responsible for identifying significant risks to the Company and for ensuring that appropriate internal controls and risk management are in place.

The most significant risks facing the wider Group include: Suppliers, input products and supply chain, people, availability of products, input price, brand and reputation, market conditions and expansion.

Further discussion of these risks and uncertainties, together with the controls and mitigating factors, in the context of the Group as a whole, is provided in the Strategic Report of the Wasabi 2019 Limited financial statements, which does not form part of this report.

This report was approved by the Board and signed on its behalf by:



**Henry Birts**  
Director

Date: 11/10/2022

## **WASABI SUSHI BENTO LIMITED**

### **DIRECTORS' REPORT FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

The Directors present their annual report and the audited financial statements of Wasabi Sushi Bento Limited (the "Company") for the 52 week period ended 25 December 2021.

#### **Directors**

The Directors who served during the 52 week period and up to the date of signing the financial statements, unless otherwise stated, were:

D H Kim  
Henry Birts  
Mark O'Mahoney

The Directors have not recommended payment of any dividend (2020: £nil).

#### **Qualifying third-party indemnity provisions**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its directors.

#### **Control**

The ultimate parent company is Wasabi 2019 Limited, registered at Unit 5 Origin Business Park Rainsford Road, Park Royal, London, NW10 7FW for which consolidated financial statements for the Group are available

#### **Brexit Considerations**

Britain and the European Union have agreed and signed a Trade and Cooperation Agreement ("the agreement"). The agreement between Britain and the EU contains no tariffs or quotas. Under the agreement, all imports of supplies from the EU must be declared to HMRC. We believe that this controlled departure from the EU will not have a significant direct impact on our supply chains. We are continually alert to the risk of significant declines in Sterling. There has been no depreciation of Sterling since the agreement was reached. We will continue to use normal hedging arrangements for significant purchases of imported products on specific contracts.

## **WASABI SUSHI BENTO LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE 52 WEEK PERIOD ENDED 26 DECEMBER 2020**

#### **COVID-19 considerations**

Since March 2020, the consequences of the COVID-19 outbreak have materially and adversely affected the supply of raw materials and the demand for the business' primary products.

During the first half of the financial period, the UK Government imposed a closure of non-essential businesses. The subsequent reduction in demand for our services had an adverse effect on the Wasabi Group's financial performance. However, post 2021, the business has seen an improvement across its estate with like-for-like now in line with pre COVID 2019 sales.

#### **Input price considerations**

The principal area of risk for the business is food pricing, impacted by both supply and demand fluctuations and by currency movements. In 2021, the crisis in Ukraine has adversely affected the supply of raw materials to the business. The business has implemented several cost efficiency measures and agrees fixed price contracts with key suppliers for up to a year to reduce the short-term impact of the market price movements, as well as sourcing goods from multiple suppliers.

#### **Future developments and post balance sheet events**

Further details into the Company's future plans are discussed in the Strategic Report. There are no post balance sheet events to note.

#### **Going Concern**

The result for the financial 52 week period amounted to £nil (2020: loss of £15,334,333). At the balance sheet date, the Company has net assets of £3,462,810 (2020: £3,462,810).

The company meets its day-to-day working capital requirements through the support of another group company, Wasabi CO. LTD, who will provide financial support to ensure the company is able to operate as a going concern and to settle its liabilities as they fall due for at least 12 months from the signing of these financial statements.

During the period ended 25 December 2021, the COVID-19 pandemic continued to impact the business with the year beginning with the business in full lockdown and restrictions not being eased until Q2 2021. Once restrictions eased, the business had all shop types follow a recovery curve. The rapid spread of the Omicron variant in the second half of the year resulted in 2021 ending with Wasabi facing similar challenges. However, the recovery trajectory in the second half of the year and post Omicron restrictions being eased in early 2022 has given the business increased confidence.

The business was also impacted by significant cost pressures due to the impact of the Suez blockage on bringing product from overseas and the escalation of the war in Ukraine which impacted the cost of products and utilities.

To manage through this volatility, the Group has grown back its store sales to pre-Covid levels; the group's grocery business has expanded in to the UK's biggest supermarket chain - Tesco.

## **WASABI SUSHI BENTO LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE 52 WEEK PERIOD ENDED 26 DECEMBER 2020**

#### **Going concern (continued)**

The Group's management has considered the impact of further cost inflation and the continuous impact of national train strikes within its "severe but plausible" cash flow forecast, and the adverse effect on the Group's cash flow. Within this scenario, the business would remain in compliance with the covenants set by the bank to December 2022.

The company is part of the Wasabi 2019 Limited Group's cross-guarantee arrangements in respect of the Group's external debt arrangements. The Group has been in breach of some of its loan covenants and the directors have obtained a waiver from the lender. The waiver, however, does not cover a period up to December 2023. Whilst the directors have reasonable expectation based on discussions with the lender that the waiver will be extended once the current waiver expires, there is uncertainty on what will happen if the waiver is not extended.

The directors believe that it remains appropriate to prepare the financial statements on a going concern basis. As a result of these matters, there is a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern and therefore whether the company will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern.

#### **Financial risk management**

The Company is part of the Wasabi Group which regularly reviews the financing arrangement for its current business and expansion opportunities.

The Company is not exposed to price, currency or significant credit risk.

*Liquidity risk* – the Group has short term borrowing facilities available that can be used to manage any short-term liquidity requirements. Long -term facilities have been re-financed since the investment into the Group from Capdesia with a suitable grace period being provided after which equal monthly instalments are to be repaid.

## **WASABI SUSHI BENTO LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE 52 WEEK PERIOD ENDED 26 DECEMBER 2020**

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and Financial Statements and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board and signed on its behalf by:

**H Birts**  
Director



Date: 11/10/2022

# Independent auditors' report to the members of Wasabi Sushi Bento Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Wasabi Sushi Bento Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2021 and of its result for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 25 December 2021; the Statement of Comprehensive Income, and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Material uncertainty related to going concern.

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2.3 to the financial statements concerning the company's ability to continue as a going concern. The company is part of the Wasabi 2019 Limited Group's cross-guarantee arrangements in respect of the Group's external debt arrangements. The Group has been in breach of its debt covenants and the directors have been unable to obtain debt covenant waivers covering the period of at least the next 12 months giving rise to a material uncertainty if further waivers are not agreed. These conditions, along with the other matters explained in note 2.3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

# Independent auditors' report to the members of Wasabi Sushi Bento Limited (continued)

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the period ended 25 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

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

# Independent auditors' report to the members of Wasabi Sushi Bento Limited (continued)

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.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to adherence to data protection requirements in the jurisdictions in which the Company operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK Tax regulations not being adhered to. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries and management bias in respect of accounting estimates. Audit procedures performed by the engagement team included:

- Enquiring of management and those charged with governance as to the Company's high level policies and procedures to prevent and detect fraud and compliance with laws and regulations, and inspection of regulatory correspondence to identify actual and potential breaches of laws and regulations and fraud including those related to the areas noted above. These enquiries were corroborated through review of board minutes provided;
- Auditing the risk of management override of controls including identifying and testing journal entries by obtaining a full listing of journals posted during the year and assessing them for reasonableness;
- Challenging and testing assumptions and judgements made by management in their significant accounting estimates (because of the risk of management bias) and reviewing financial statement disclosures made by management in their significant accounting estimates;
- As required by ISA 240, incorporating an element of unpredictability into our audit testing, and;
- Evaluation of relevant management's controls designed to prevent and detect irregularities by performing walkthroughs.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

# Independent auditors' report to the members of Wasabi Sushi Bento Limited (continued)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

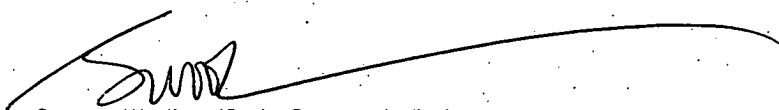
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Suzanne Woolfson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford

12 October 2022

**WASABI SUSHI BENTO LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 25 DECEMBER 2021**

		Period ended 25 December 2021	Period ended 26 December 2020
		£	£
	Note		
Exceptional administrative expenses	11	-	(15,334,331)
Loss on disposal of subsidiary company	9	-	(2)
<b>Operating Loss</b>		-	(15,334,333)
Interest receivable and similar income	6	4,085,677	3,417,011
Interest payable and similar expenses	7	(4,085,677)	(3,417,011)
<b>Loss before taxation</b>		-	(15,334,333)
Tax on loss	8	-	-
<b>Loss for the financial year</b>		-	(15,334,333)
<b>Total Comprehensive expense for the financial year</b>		-	(15,334,333)

**WASABI SUSHI BENTO LIMITED**  
**REGISTERED NUMBER: 08106545**

**BALANCE SHEET AS AT 25 DECEMBER 2021**

		<b>Period ended 25 December 2021</b>	<b>Period ended 26 December 2020</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Investments	9	<u>3,462,710</u>	<u>3,462,710</u>
		<b>3,462,710</b>	<b>3,462,710</b>
<b>Non Current Assets</b>			
Debtors: amounts falling due after more than one year	11	15,066,169	10,980,492
<b>Current Assets</b>			
Cash at bank and in hand	10	100	100
<b>Total Assets</b>		<u><b>18,528,979</b></u>	<u><b>14,443,302</b></u>
Creditors: amounts falling due after more than one year	12	(15,066,169)	(10,980,492)
<b>Net Assets</b>		<u><u><b>3,462,810</b></u></u>	<u><u><b>3,462,810</b></u></u>
<b>Capital and reserves</b>			
Called up shared capital	14	610	610
Profit and loss account	16	(15,334,333)	(15,334,333)
Merger reserve	15	3,462,201	3,462,201
Capital contribution reserve	17	<u>15,334,332</u>	<u>15,334,332</u>
<b>Total shareholders' funds</b>		<u><u><b>3,462,810</b></u></u>	<u><u><b>3,462,810</b></u></u>

The financial statements on pages 12 to 24 were approved and authorised for issue by the Board and were signed on its behalf by:



**H Birts**  
Director

Date: 11/10/2022

The notes on pages 15 to 24 form part of these financial statements.

**WASABI SUSHI BENTO LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 25 DECEMBER 2021**

	Called up share capital	Profit and Loss account	Merger reserve	Capital contribution reserve	Total shareholders' deficit
	£	£	£	£	£
At 28 December 2019	610		3,462,201		3,462,811
At 27 December 2020	610	(15,334,333)	3,462,201	15,334,332	3,462,810
Comprehensive expense for the financial period					
Result for the financial year	-	-	-	-	-
Total comprehensive expense for the financial period	-	-	-	-	-
At 25 December 2021	610	(15,334,333)	3,462,201	15,334,332	3,462,810

The notes on pages 15 to 24 form part of these financial statements.

## **WASABI SUSHI BENTO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

#### **1 General Information**

Wasabi Sushi Bento Limited (the "Company") is a private limited company, limited by shares incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is: Unit 5, Origin Business Park, Rainsford Road, Park Royal, London, NW10 7FW. The principal activity of the Company is that of an investment holding company.

#### **2 Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on the going concern basis, under the historical cost convention 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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the period:

##### **2.2 Financial reporting standard 102 – reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows Section 7 of FRS 102 and para 3.17(d);
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b), and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.11
- the requirements of Section 33 Key Management Personnel paragraph 33.7A

This information is included in the consolidated financial statements of Wasabi 2019 Limited as at 26 December 2020 and these financial statements may be obtained from Unit 5 Origin Business Park, Rainsford Road, Park Royal, London, NW10 7FW.

##### **2.3 Going concern**

The result for the financial 52 week period amounted to £nil (2020: loss of £15,334,333). At the balance sheet date, the Company has net assets of £3,462,810 (2020: £3,462,810).

The company meets its day-to-day working capital requirements through the support of another group company, Wasabi CO. LTD, who will provide financial support to ensure the company is able to operate as a going concern and to settle its liabilities as they fall due for at least 12 months from the signing of these financial statements.

During the period ended 25 December 2021, the COVID-19 pandemic continued to impact the business with the year beginning with the business in full lockdown and restrictions not being eased until Q2 2021. Once restrictions eased, the business had all shop types follow a recovery curve. The rapid spread of the Omicron variant in the second half of the year resulted in 2021 ending with Wasabi facing similar challenges. However, the recovery trajectory in the second half of the year and post Omicron restrictions being eased in early 2022 has given the business increased confidence.

The business was also impacted by significant cost pressures due to the impact of the Suez blockage on bringing product from overseas and the escalation of the war in Ukraine which impacted the cost of products and utilities.

To manage through this volatility, the Group has grown back its store sales to pre-Covid levels; the group's grocery business has expanded into the UK's biggest supermarket chain - Tesco.

The Group's management has considered the impact of further cost inflation and the continuous impact of national train strikes within its "severe but plausible" cash flow forecast, and the adverse effect on the Group's cash flow. Within this scenario, the business would remain in compliance with the covenants set by the bank to December 2022.

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**2 Accounting policies (continued)**

**2.3 Going concern (continued)**

The company is part of the Wasabi 2019 Limited Group's cross-guarantee arrangements in respect of the Group's external debt arrangements. The Group has been in breach of some of its loan covenants and the directors have obtained a waiver from the lender. The waiver, however, does not cover a period up to December 2023. Whilst the directors have a reasonable expectation, based on discussions with the lender, that the waiver will be extended once the current waiver expires, there is uncertainty on what will happen if the waiver is not extended.

The directors believe that it remains appropriate to prepare the financial statements on a going concern basis. As a result of these matters, there is a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern and therefore whether the company will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern.

**2.4 Exceptional administrative expense**

Exceptional administrative expense comprises waivers on intercompany loans due from Wasabi CO. LTD and is recognised in the Statement of Comprehensive Income.

**2.5 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.

**2.6 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.7 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 Creditors**

*Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.*

**2.9 Financial instruments**

The Company only enters into basic financial instruments 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.

Debt instruments (other than those wholly repayable or receivable within one year) including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognized in the Statement of Comprehensive Income.

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**2 Accounting policies (continued)**

**2.9 Financial instruments (continued)**

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.10 Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.11 Current and deferred taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet 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 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 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 Balance Sheet date.

**2.12 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more than likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

## **WASABI SUSHI BENTO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

#### **2.13 Consolidation exemption**

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the Company as an individual entity and not about its group.

The entity is a wholly owned subsidiary of Wasabi 2019 Limited, a company incorporated in England and Wales. The results of the entity are included in the consolidated financial statements of Wasabi 2019 Limited, which are available from its registered address.

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

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as well as disclosures. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from management estimates, and our estimates can be revised in the future, either negatively or positively, depending upon the outcome or changes in expectations based on the facts surrounding each estimate.

The estimates and assumptions that would have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are detailed below.

##### **Carrying value of the parent Company investment in its subsidiaries**

The Directors have reviewed the carrying value of the parent company's investment in its subsidiaries and intercompany receivables. They have considered that based on the cash flow injection regarding the recent transaction, that the value of investment made into this subsidiary company will enable the parent company to recover the carrying value of its investment.

Where this is not the case, the carrying value of the investment has been impaired. Carrying value is measured as fair value less costs to sell.

Based on the above the directors therefore do not consider that any provision for impairment is required at 26 December 2020.

##### **Recognition of waiver on intercompany loans**

The intercompany loan balance owed by Wasabi CO. LTD to the Company was impaired by 93.3% following the Company Voluntary Arrangement in Wasabi CO. LTD. Subsequently, the intercompany loan balance owed by the Company to Wasabi 2019 Limited was also impaired by 93.3%.

The directors have reviewed the intercompany loan waivers resulting from the from the Company Voluntary Arrangement in Wasabi CO. LTD and have determined that the waivers should ultimately be recognised in the parent company of the Group, Wasabi 2019 Limited, the entity in which the related external debt is recognised.

#### **4 Auditors' remuneration**

Auditors' remuneration of £5,000 (2020: £5,000) is paid by another company within the Group, Wasabi CO. Ltd

#### **5 Employees**

The Company has no employees other than the director, who did not receive any remuneration (2020: £nil). Their costs are borne by another group company.

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**6 Interest receivable and similar income**

	52 week period ended 25 December 2021 £	52 week period ended 26 December 2020 £
Loans to group undertakings	4,085,677	3,417,011
	<u>4,085,677</u>	<u>3,417,011</u>

**7 Interest payable and similar expenses**

	52 week period ended 25 December 2021 £	52 week period ended 26 December 2020 £
Loans from group undertakings	4,085,677	3,417,011
	<u>4,085,677</u>	<u>3,417,011</u>

**8 Tax on loss**

	52 week period ended 25 December 2021 £	52 week period ended 26 December 2020 £
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE 52 WEEK PERIOD ENDED 26 DECEMBER 2021**

**8 Tax on loss (continued)**

	52 week period ended 25 December 2021 £	52 week period ended 26 December 2020 £
<b>Corporation tax</b>		
Current tax on loss for the financial period	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

Deferred tax charge for the period is £nil (2020: £nil)

**Factors affecting tax charge for the period**

The tax assessed for the period is the same as (2020: higher than) the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below.

	52 week period ended 25 December 2021 £	52 week period ended 26 December 2020 £
Loss before tax	-	(15,334,333)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	-	(2,913,523)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	2,913,523
Deferred tax not recognized	-	-
<b>Total tax credit</b>	<u>-</u>	<u>-</u>

There is no tax arising on the items charged to other comprehensive income (2020: £nil).

**Factors that may affect future tax charges**

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. These changes were substantially enacted in The Finance Bill 2021 on 24 May 2021, after the balance sheet date. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**9 Investments**

	Investments in subsidiary companies £
<b>Cost</b>	
At 26 December 2020	3,462,710
At 25 December 2021	<u>3,462,710</u>

At the balance sheet date Wasabi CO. LTD has net liabilities of £33,948,735 (2020: £22,653,317). The Directors have reviewed the recoverability of the investment in Wasabi CO. LTD for indicators of impairment and do not consider the investment to be impaired.

Despite the net liabilities position of Wasabi CO. LTD compared to an investment carrying value of £3,462,710, the wider Group was successful in obtaining additional investment in 2020, which supports the carrying value using a fair value less costs to sell valuation and therefore reflecting the growth aspirations of Wasabi CO. Ltd in the future.

Should Wasabi CO. LTD fail to meet its successive targets then this valuation will be revisited and therefore is listed as a critical estimate in note 3 to these financial statements.

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**Investments (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
Wasabi CO. LTD	Unit 5 Origin Business Park, Rainsford Road, Park Royal, London, England, NW10 7FW	Take-away food shops and mobile food stands	Ordinary	100%
Wasabi Sushi Bento Seventh Avenue (NY) LLC*	561 7 <sup>th</sup> Ave, New York, NY 10018 USA	Take-away food shops and mobile food stands	Ordinary	100%
Wasabi Sushi & Bento LL3115 LLC*	185 Greenwich Street, Unit LL3115, New York NY 10007 USA	Take-away food shops and mobile food stands	Ordinary	100%
Wasabi Sushi & Bento Fulton Street LLC*	200 Broadway, LL 1000, New York NY 10038 USA	Take-away food shops and mobile food stands	Ordinary	100%
Wasabi Sushi & Bento USA Corp	261 7th Avenue, New York, NY 10018 USA	Holding Company	Ordinary	100%
Wasabi Sushi & Bento 1014 Sixth Avenue LLC*	1610 6th Ave, New York, NY 10018 USA	Take-away food shops and mobile food stands	Ordinary	100%
Wasabi Sushi & Bento Penn Plaza LLC*	1 Penn Plaza, Concourse Level, New York NY 10119 USA	Take-away food shops and mobile food stands	Ordinary	100%

\*Non-coterminous accounting reference date of 31 August

**WASABI SUSHI BENTO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE 52 WEEK PERIOD ENDED 25 DECEMBER 2021**

**10 Cash at bank and in hand**

	25 December 2021	26 December 2020
	£	£
Cash at bank and in hand	<u>100</u>	<u>100</u>

**11 Debtors: amounts falling due after more than one year**

	25 December 2021	26 December 2020
	£	£
Amounts owed by group undertakings	<u>15,066,169</u>	<u>10,980,492</u>

On 10 May 2019, the company advanced a loan to Wasabi CO. Ltd of £18,000,000 issued at a discounted value of £15,486,329. The loan is repayable in May 2026. Interest is charged annually at 12%. On 20 August 2020, the discounted loan principle was 93.3% impaired due to the Company Voluntary Arrangement in Wasabi CO. Ltd. As at 25 December 2021 the amount receivable was £8,041,201 (2020: £4,977,199).

On 20 August 2020, the company advanced a loan to Wasabi CO. LTD of £5,847,325. The loan is repayable in May 2026. Interest is charged annually at 16%. As at 25 December 2021, the amount receivable was £7,024,968 (2020: £6,003,293).

Amounts owed by group undertakings are unsecured.

**12 Creditors: amounts falling due after more than one year**

	25 December 2021	26 December 2020
	£	£
Amounts owed to group undertakings	<u>15,066,169</u>	<u>10,980,492</u>

On 10 May 2019, the company obtained a loan from Wasabi 2019 Limited of £18,000,000 issued at a discounted value of £15,486,329. The loan is repayable in May 2026. Interest is charged annually at 12%.

At the balance sheet date, the discounted loan principle was impaired by 93.3% due to the Company Voluntary Arrangement in Wasabi CO. LTD. As at 25 December 2021 the amount payable was £8,041,201 (2020: £4,977,199).

Included in amounts owed to group undertakings is £7,024,968 (2020: £6,003,294) due to Wasabi 2019 Limited. The loan is repayable in May 2026. Interest is charged annually at 16%.

Amounts owed to group undertakings are unsecured.

**13 Contingent liabilities**

The Company has fixed and floating charges against all property or undertakings of the Company in favour of shareholder Wasabi Participations Limited and HSBC UK Bank PLC.

**14 Called up share capital**

	25 December 2021 £	26 December 2020 £
Shares classified as equity		
Allotted, called up and fully paid		
610 (2020: 610) Ordinary shares of £1.00 each		
(2020: £1)	610	610

**15 Merger reserve**

In prior years, the Company has met the conditions in s612 of the Companies Act 2006 for merger relief, in which the fair value of the shares issued has been recognized in the cost of the investment. The premium on the nominal value of share capital issued has been recognised in a "merger relief reserve".

**16 Profit and loss account**

Includes all current and prior period retained profit and losses.

**17 Capital contribution reserve**

The Company has recognised a capital contribution reserve of £15,334,332 in respect of a loan forgiveness received from its parent company, Wasabi 2019 Limited.

**18 Ultimate parent undertaking and controlling party**

The immediate and ultimate parent company, and the parent of both the smallest and largest group to consolidate these financial results, is Wasabi 2019 Limited, a company incorporated in England and Wales. The registered address of Wasabi 2019 Limited is Unit 5 Origin Business Park, Rainsford Road, Park Royal, London, NW10 7FW.

The Directors do not consider there to be one ultimate controlling party.

**19 Post balance sheet events**

Refer to the Directors' Report for details of post Balance Sheet events.