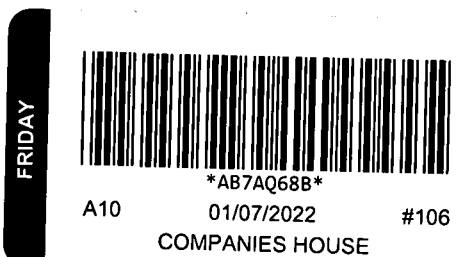


Registered number: 09891180

WSH & GALETTI RESTAURANTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 29 DECEMBER 2021



WSH & GALETTI RESTAURANTS LIMITED

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WSH & GALETTI RESTAURANTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 29 DECEMBER 2021

Introduction

The directors present their report and the audited financial statements for the period ended 29 December 2021.

In common with much of the hospitality sector, WSH & Galetti Restaurants Limited ('WSH & Galetti Restaurants') operates to a weekly reporting cycle rather than calendar month end basis. Accordingly, these financial statements are for the 52 week period ended 29 December 2021, with comparative values for the 52 week and 5 day period ended 30 December 2020. Note that in 2020 we adjusted our statutory accounts reporting cycle, electing to close the accounts on the nearest Wednesday to 31 December in order that the statutory accounts mirror the reporting cycle of our individual trading location.

Principal activities

The principal activity of the company is the operation of "Mere", a joint venture restaurant between Monica and David Galetti and WSH Restaurants.

Business review, results, dividends and future developments

During 2021, as a direct consequence of the Covid-19 global pandemic and government response measures, we were either unable to trade or found trade materially impacted by public health restrictions. The restrictions were at their most severe at the start of 2021 with the introduction of a UK nationwide lockdown albeit disruption to some degree continued throughout the year with "Plan B" restrictions impacting the latter stages of 2021.

Whilst trading opportunities were severely limited at the start of the year due to nationwide lockdowns, the business was able to retain core staff and deliver sales via delivery hampers. Due to significantly reduced central London activity levels and no outside space the site was effectively restricted from trading until the end of May and then again in the peak December period with the resurgence of the Omicron variant and "Plan B" restrictions.

Despite London offices remaining quiet the restaurant was able to take advantage of strong customer demand and the Government VAT support to record robust performance May through November until further restrictions were implemented in December.

The loss for the period, after taxation, amounted to £74,000 (2020: loss of £369,000).

The directors do not recommend the payment of a dividend (2020: £nil).

The directors believe the business and team has shown resilience through the challenges presented by various lockdowns as well as the subsequent recruitment and inflation challenges impacting the wider industry. Whilst many of these challenges remain into 2022 we believe the restaurant is well positioned to take advantage of consumer demand as London further recovers from the restrictions of the pandemic.

Directors

The directors who served during the period and to the date of signing were:

M Bradley
D Galetti
M Galetti
I MacEachern
A Storey

Strategic report

Advantage has been taken of the exemption under Section 414B of the Companies Act 2006 from the requirement to prepare a strategic report.

WSH & GALETTI RESTAURANTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 29 DECEMBER 2021

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the company 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 company for that period. In preparing the financial statements, the directors are required to:

- 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 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.

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

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.

Qualifying third party indemnity provisions

During the period, and up to the date of approval of the financial statements, the company had in place qualifying third party indemnity provision for the benefit of all the directors of the company.

Employee involvement

Our policy is to actively consult and discuss with our employees, through employee forums, union representation (where applicable) and at meetings, any matters likely to affect their interests. Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance. This has been particularly important over the past year with the impact of the Covid-19 pandemic and the decisions taken by the directors in response to this, not only from an economic position, but also from a safety, wellbeing and operational perspective.

Disabled employees

Our policy is for full and fair consideration of employment applications from disabled persons for those vacancies that they are able to fulfil with the required workplace adjustments. All necessary assistance with training is given. Arrangements are made, wherever possible, for retraining employees who become disabled, to allow them to perform work which is appropriate to their aptitudes and abilities.

It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

WSH & GALETTI RESTAURANTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 29 DECEMBER 2021

Employment policies

We aim to provide equal opportunities regardless of gender, race, religion or belief, sexual orientation, disability or ethnic origin, recognising that the continued success of the company depends upon its ability to attract, motivate and retain people of the highest calibre.

Tax strategy

The Board recognise that compliance with tax regulations is one of its key responsibilities. In common with all aspects of the operation of its diverse business, the oversight is assigned to one member of the Board, namely the Chief Financial Officer, whose responsibility it is to appraise the Board of key tax events. This allows all Board members to be adequately engaged in the tax affairs of the business and thereby ensure WSH & Galetti Restaurants is adhering to its responsibilities.

There are five key principles to which WSH & Galetti Restaurants adheres when considering all aspects of taxation. These principles provide steering to key stakeholders and offer a framework for decision making.

- **Transparency with HMRC** – WSH & Galetti Restaurants has an open and transparent relationship with HMRC and values the trust which HMRC places in our business to correctly deliver taxes due. In all dealings with HMRC, WSH & Galetti Restaurants seeks to maintain and further build on this relationship through proactive engagement.
- **External Advisors** – Ensure WSH & Galetti Restaurants engages with external advisors to provide technical expertise whenever necessary. This engagement will take place at Board level for corporate transactions and to ensure the overall tax strategy is coherent and tax risk is minimised. In addition, engagement will take place within the tax team for operational and compliance matters.
- **Sufficiently resourced tax team** – WSH & Galetti Restaurants is supported by an appropriately qualified tax team which invests in continued professional development. The Board will continue to review the structure of the tax team at suitable intervals to ensure it remains appropriate to the evolving business environment and external tax environment.
- **Tax Planning** – WSH & Galetti Restaurants is a customer orientated business, and a strong commercial focus has played a key role in the success of the business and will continue to play a key role in the future. As part of its duty to its stakeholders to control unnecessary costs, WSH & Galetti Restaurants utilises tax reliefs and allowances available in the manner in which intended by the tax authorities and statute. WSH & Galetti Restaurants does not engage in artificial tax arrangements.
- **Risk Management and Internal Governance** – Within WSH & Galetti Restaurants' business there is an inherent degree of tax risk. The Board recognises this and considers that the tax strategy sits alongside stringent financial controls to reduce this to a minimal level.

Going concern

In assessing the company's ability to continue as a going concern, the directors have considered the performance of the underlying businesses through both 2020 and 2021 together with the performance in the current year. With the lifting of all remaining restrictions in 2022, the resilience of the group throughout the pandemic and the group's available liquidity, the directors are confident that the company, with the support of the group, can meet all its obligations as they fall due through to at least the end of 2023. Accordingly, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

Independent auditors

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

WSH & GALETTI RESTAURANTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 DECEMBER 2021**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

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



M Bradley
Director
15 June 2022

Registered office:
300 Thames Valley Park Drive
Reading
RG6 1PT

Independent auditors' report to the members of WSH & Galetti Restaurants Limited

Report on the audit of the financial statements

Opinion

In our opinion, WSH & Galetti Restaurants Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2021 and of its loss 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: Balance Sheet as at 29 December 2021; Statement of Comprehensive Income and 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.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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 29 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, 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.

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 Companies Act 2006, UK Pensions and Tax Legislation, Health and Safety Executive Legislation and Implementation of Government Support Schemes (Coronavirus Job Retention Scheme), 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. 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 posting inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Discussions with management, and the group Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud
- Identifying and testing journal entries based on our risk assessment, in particular any journal entries posted with unusual descriptions, unusual account combinations or posted by senior management and evaluating whether there was evidence of management bias that represents a risk of misstatement due to fraud
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Incorporating elements of unpredictability into the audit procedures performed

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.

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. 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.



Nigel Reynolds (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 June 2022

WSH & GALETTI RESTAURANTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 29 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	3	1,668	981
Cost of sales		(1,240)	(855)
Other income	4	164	255
Gross profit		592	381
Administrative expenses		(689)	(676)
Operating loss	5	(97)	(295)
Interest payable and similar	7	(88)	(86)
Loss before tax		(185)	(381)
Tax credit on loss	8	111	12
Loss for the financial period		(74)	(369)
Total comprehensive expense for the period		(74)	(369)

All amounts relate to continuing operations.

The notes on pages 11 to 21 form part of these financial statements.


WSH & GALETTI RESTAURANTS LIMITED

**BALANCE SHEET
AS AT 29 DECEMBER 2021**

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	9	1,126	1,287
		<u>1,126</u>	<u>1,287</u>
Current assets			
Stocks	10	48	35
Debtors: amounts falling due after more than one year	11	-	25
Debtors: amounts falling due within one year	11	215	162
Cash at bank and in hand		329	290
		<u>592</u>	<u>512</u>
Creditors: amounts falling due within one year	12	(2,155)	(1,993)
Net current liabilities		<u>(1,563)</u>	<u>(1,481)</u>
Total assets less current liabilities		<u>(437)</u>	<u>(194)</u>
Creditors: amounts falling due after more than one year	13	(758)	(927)
Net liabilities		<u>(1,195)</u>	<u>(1,121)</u>
Capital and reserves			
Called up share capital	17	800	800
Profit and loss account		(1,995)	(1,921)
Shareholders' deficit		<u>(1,195)</u>	<u>(1,121)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



M Bradley
Director

Date: 15 June 2022

Registered company number: 09891180

The notes on pages 11 to 21 form part of these financial statements.

WSH & GALETTI RESTAURANTS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 27 December 2019	800	(1,552)	(752)
Comprehensive expense for the period			
Loss for the period	-	(369)	(369)
At 30 December 2020	800	(1,921)	(1,121)
Comprehensive expense for the period			
Loss for the period	-	(74)	(74)
At 29 December 2021	800	(1,995)	(1,195)

The notes on pages 11 to 21 form part of these financial statements.

WSH & GALETTI RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2021

1. General information

WSH & Galetti Restaurants Limited is a private company limited by shares. It was incorporated and is registered within England and Wales.

In common with much of the hospitality sector, WSH & Galetti Restaurants Limited ('WSH & Galetti Restaurants') operates to a weekly reporting cycle rather than calendar month end basis. Accordingly, these financial statements are for the 52 week period ended 29 December 2021, with comparative values for the 52 week and 5 day period ended 30 December 2020. Note that in 2020 we adjusted our statutory accounts reporting cycle, electing to close the accounts on the nearest Wednesday to 31 December in order that the statutory accounts mirror the reporting cycle of our individual trading location.

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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006". The financial statements have been prepared on a going concern basis. The financial statements are presented in GBP, which is also the company's functional currency.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to each presented period, unless otherwise stated.

2.2 Going concern

In assessing the company's ability to continue as a going concern, the directors have considered the performance of the underlying businesses through both 2020 and 2021 together with the performance in the current year. With the lifting of all remaining restrictions in 2022, the resilience of the group throughout the pandemic and the group's available liquidity, the directors are confident that the company, with the support of the group, can meet all its obligations as they fall due through to at least the end of 2023. Accordingly, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Government grant income

Government grant income is recognised once the conditions attached to the grant are met and there is reasonable assurance that the grant will be received. Recognition is based on the accrual model and the income is included within other income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

2. Accounting policies (continued)

2.5 Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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 lease
Fixtures and fittings	- 3 to 7 years
Computer equipment	- 3 years

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

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

2.6 Stocks

Stocks are stated at the lower 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.

2.7 Debtors

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

2.8 Cash

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

2.9 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 ordinary shares.

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 recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Operating leases

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

2.13 Defined contribution pension plans

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

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

2.14 Taxation

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

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

WSH & GALETTI RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2021

2. Accounting policies (continued)

2.15 Key accounting judgements and estimates

The company makes accounting judgements and estimates in order to prepare the financial statements for the period. No accounting judgements or estimates are considered significant.

3. Turnover

The turnover of the company for the current and prior period has been derived from the sales of goods and services in the UK.

4. Other income

	2021 £000	2020 £000
Government grant income	164	255
	<u>164</u>	<u>255</u>

Grant income of £164,000 (2020: £255,000) was received under the various UK Government Coronavirus job retention schemes. The grant income has been categorised within gross profit so as to align to the underlying employee costs.

5. Operating loss

The operating loss is stated after charging:

	2021 £000	2020 £000
Depreciation of tangible fixed assets	170	185
Operating lease rentals	191	118
Audit of the company financial statements	26	25
	<u>26</u>	<u>25</u>

WSH & GALETTI RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

6. Employees

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

	2021 No.	2020 No.
Restaurant staff	26	30
Management and clerical	5	3
	31	33

Staff costs, including directors' remuneration, for the period consisted of wages and salaries of £728,000 (2020: £643,000), social security costs of £64,000 (2020: £52,000) and defined contribution pension costs of £19,000 (2020: £16,000).

These amounts are gross, including furlough payments made to employees. Amounts received from the various Government job retention schemes are shown separately as other income (see note 4).

7. Interest payable and similar expenses

	2021 £000	2020 £000
Intercompany loan interest payable	88	86
	88	86

8. Tax credit on loss

	2021 £000	2020 £000
Corporation tax		
Current tax credit relating to group relief	(68)	-
Adjustments in respect of prior periods	(43)	(12)
	(111)	(12)
Total current tax credit	(111)	(12)
Tax credit on loss	(111)	(12)

WSH & GALETTI RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2021

8. Tax credit on loss (continued)

Factors affecting tax charge for the period

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

	2021 £000	2020 £000
Loss before tax	(185)	(381)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(35)	(72)
Effects of:		
Expenses not deductible for tax purposes	19	20
Taxable losses not recognised	-	43
Adjustments in respect of prior periods	(43)	(12)
Other	-	9
Utilisation of losses previously not recognised	(61)	-
Movement in deferred tax not recognised	9	-
Total tax credit for the period	(111)	(12)

Factors that may affect future tax charges

An increase to the rate of corporation tax to 25% from April 2023 was substantially enacted by the balance sheet date and has been included in the calculation of deferred taxes using a blended rate approach. The increased rate will also affect future current tax charges. In the Spring Budget Statement of 2022, the Chancellor announced plans to review the tax treatment of expenditure related to improvements to productivity. The exact measures are not yet known and not substantially enacted. Therefore the effects of any such changes are not included in these financial statements.

WSH & GALETTI RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

9. Tangible assets

	Leasehold improve- ments £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost				
At 30 December 2020	1,426	512	33	1,971
Additions	-	9	-	9
At 29 December 2021	1,426	521	33	1,980
Depreciation				
At 30 December 2020	278	373	33	684
Charge for the period	71	99	-	170
At 29 December 2021	349	472	33	854
Net book value				
At 29 December 2021	1,077	49	-	1,126
At 30 December 2020	1,148	139	-	1,287

10. Stocks

	2021 £000	2020 £000
Raw materials and consumables	48	35
	48	35

WSH & GALETTI RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

11. Debtors

	2021	<i>2020</i>
	£000	<i>£000</i>
Amounts falling due after more than one year		
Loans to directors (note 19)	-	25
	<u>-</u>	<u>25</u>
	<u>-</u>	<u>25</u>

	2021	<i>2020</i>
	£000	<i>£000</i>
Amounts falling due within one year		
Trade debtors	4	-
Amounts owed by group undertakings	21	49
Prepayments and accrued income	87	75
Other debtors	78	38
Loans to directors (note 19)	25	-
	<u>215</u>	<u>162</u>
	<u>215</u>	<u>162</u>

Amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

12. Creditors: amounts falling due within one year

	2021	<i>2020</i>
	£000	<i>£000</i>
Loans owed to group undertakings (note 14)	168	168
Trade creditors	214	173
Amounts owed to group undertakings	1,271	1,159
Other taxation and social security	90	83
Other creditors	173	132
Accruals and deferred income	239	278
	<u>2,155</u>	<u>1,993</u>
	<u>2,155</u>	<u>1,993</u>

Amounts owed to group undertakings are unsecured, interest bearing and repayable on demand.

WSH & GALETTI RESTAURANTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021**

13. Creditors: amounts falling due after more than one year

	2021	2020
	£000	£000
Loans owed to group undertakings (note 14)	758	927
	758	927

14. Loans

Analysis of the maturity of loans is given below:

	2021	2020
	£000	£000
Amounts falling due within one year		
Loans owed to group undertakings	168	168
	168	168
Amounts falling due 2-5 years		
Loans owed to group undertakings	674	674
	674	674
Amounts falling due after more than 5 years		
Loans owed to group undertakings	84	253
	84	253
	926	1,095

Loans owed to group undertakings are unsecured and interest bearing.

15. Deferred tax

The company has an unrecognised deferred tax asset at 29 December 2021 of £24,000 (2020: £93,000), consisting of unused trading losses of £6,000 (2020: £86,000) and depreciation in excess of capital allowances of £18,000 (2020: £7,000).

WSH & GALETTI RESTAURANTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 DECEMBER 2021****16. Called up share capital**

	2021 £000	2020 £000
Allotted, called up and fully paid		
100,000 (2020: 100,000) ordinary shares of £1 each	100	100
700,000 (2020: 700,000) preference shares of £1 each	700	700
	<u>800</u>	<u>800</u>

The holders of ordinary shares are entitled to receive notice of, to attend and to vote at general meetings. The holders of preference shares are entitled to receive notice of but not attend or vote at general meetings except in certain circumstances set out in the company's Articles of Association. The holders of ordinary and preference shares have varying entitlements to receive dividends as declared by the company from time to time in accordance with the company's Articles of Association. The dividends on the preference shares are discretionary and do not accrue. The share classes rank pari passu in all other respects.

17. Pension commitments

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £19,000 (2020: £16,000). Contributions totalling £6,000 (2020: £5,000) were payable to the funds at the balance sheet date and are included within other creditors.

18. Commitments under operating leases

At period end, the company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	297	183
Later than 1 year and not later than 5 years	1,190	1,100
Later than 5 years	2,974	3,025
	<u>4,461</u>	<u>4,308</u>

WSH & GALETTI RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 DECEMBER 2021

19. Related party transactions

WSH Restaurant Investments Limited provides administrative, financial, accounting and support services to the company, for which fees of £48,000 (2020: £43,000) were charged in the period.

An interest-bearing shareholder loan to the company is held by WSH Restaurant Investments Limited. At the balance sheet date, the principal amount of £926,000 (2020: £1,100,000) was outstanding and is included within loans owed to group undertakings, of which £758,000 (2020: £927,000) is due for repayment after more than one year. Interest of £49,000 (2020: £58,000) was charged in the period. At the balance sheet date, accrued interest of £4,000 (2020: £5,000) was outstanding and included within amounts owed to group undertakings.

An interest-bearing short term working capital loan to the company is held by WSH Restaurant Investments Limited, a fellow group company under control of WSH Restaurants Limited. A balance of £1,267,000 (2020: £1,154,000) remains outstanding with WSH Restaurant Investments Limited at period end and is included within amounts owed to group undertakings. Interest of £39,000 (2020: £28,000) was charged in the period.

During the current period director David Galetti sold wine products to the company for a charge of £3,000 (2020: £2,000). No amount was outstanding at the balance sheet date (2020: £nil).

Throughout the current and prior periods there were loan balances outstanding from directors David Galetti (£12,500) and Monica Galetti (£12,500). These monies were used to subscribe for 25,000 £1 ordinary shares in the company. The loans are interest free and due for repayment on 7 March 2022.

The company has an occupational lease with Cheadle Properties (Charlotte Holdings) Limited, a company in which director Alastair Storey has a controlling interest. The financial commitments in relation to this lease are shown in note 18. During the period, the company was charged rent and associated occupancy costs of £191,000 (2020: £121,000) in relation to this lease.

Payments were made on behalf of the company in the period to the value of £1,000 (2020: £12,000) by BaxterStorey Limited. At the balance sheet date £nil (2020: £2,000) was receivable from BaxterStorey Limited. A Storey and M Bradley are directors of BaxterStorey Limited.

At the period end date £21,000 (2020: £49,000) included within amounts owed by group undertakings, was receivable from The Woodspeen Restaurant Limited, a fellow group company under control of WSH Restaurants Limited. This amount related to prior period tax losses exchanged for consideration of the same value.

20. Controlling party

WSH Restaurant Investments Limited, a company incorporated in England and Wales, is the immediate parent company.

The directors regard the ultimate parent company to be WSH Restaurants Limited, a company incorporated in England and Wales. WSH Restaurants Limited is also both the smallest and largest group into which the company's results are consolidated.

Copies of the consolidated financial statements for WSH Restaurants Limited can be obtained from 300 Thames Valley Park Drive, Reading, RG6 1PT.

The ultimate controlling party is Cheadle Estates Limited, a UK tax resident company, controlled by Alastair Storey.