

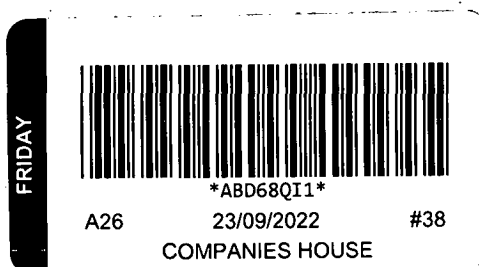
The Ivy West Street Limited

Report and Financial Statements

Period Ended

02 January 2022

Company Number 11658425



The Ivy West Street Limited

Company Information

Directors	R A Caring C J Robinson
Registered number	11658425
Registered office	26-28 Conway Street London United Kingdom W1T 6BQ
Independent auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB

The Ivy West Street Limited

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The Ivy West Street Limited

Directors' Report For the Period Ended 02 January 2022

The directors present their report and the financial statements for the 52 week period ended 02 January 2022.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company is the ownership and operation of The Ivy West Street, London.

Results and dividends

The profit for the period, after taxation, amounted to £909k (period ended 03 January 2021 profit - £19k).

The directors have not recommended the payment of a dividend for the period (period ended 03 January 2021 - £NIL).

Directors

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

R A Caring
C J Robinson

The company has granted indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying indemnity remains in force as at the date of approving the directors' report.

The Ivy West Street Limited

Directors' Report (continued) for the Period Ended 02 January 2022

Going concern

Going concern is discussed in more detail within the accounting policies. The Directors believe that the Company will be able to operate within its agreed bank facilities, meet all of its covenant requirements and has the continued support of its bank and shareholders throughout the going concern period. Therefore, the expectation of the Directors is that the Company will be able to continue in operation and meet their liabilities as they fall due over a period of at least 12 months from the date of approval of these accounts. The Directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Engagement with suppliers, customers and others

The directors engage with all stakeholders to ensure they foster the company's business relationships with suppliers, customers, and other stakeholders. We seek to choose the best products to meet our customers' expectations when dining with us, whilst we develop long term relationships with our suppliers who are providing us with these products. During various stages of the year, we ensured that customers felt safe by ensuring cleaning routines and products were suitable to combat the Covid-19 pandemic, and that relationships were established with the suppliers who provide us with these materials to ensure our customers' safety. With supply chain challenges across several sectors, we have been working closely with suppliers to understand where certain goods or services cannot be provided timely, or to usual specifications, to ensure we can obtain from alternative suppliers to avoid any operational disruption.

Disclosure of information to auditor

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

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

Auditor

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

Small companies note

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



C J Robinson
Director

Date: 13-05-2022

The Ivy West Street Limited

Independent Auditor's Report to the Members of The Ivy West Street Limited

Opinion

We have audited the financial statements of The Ivy West Street Limited (the 'company') for the period ended 02 January 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 02 January 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Ivy West Street Limited

Independent Auditor's Report to the Members of The Ivy West Street Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

The Ivy West Street Limited

Independent Auditor's Report to the Members of The Ivy West Street Limited (continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are as follows:

Legislation / Regulation	Audit procedures performed by the audit engagement team included:
FRS 102 and the Companies Act 2006	Review of the financial statement disclosures and testing to supporting documentation. Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Review of the Company's tax computations. Inspecting correspondence with external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are as follows:

Legislation / Regulation	Audit procedures performed by the audit engagement team included:
Food safety and hygiene	We carried out searches in respect of food hygiene ratings to identify any sites poorly rated and indication of potential breaches. We obtained and reviewed third party audit reports in respect of hygiene regulations. We held discussions with management to confirm whether there had been any reported significant breaches in respect of food safety.

The audit engagement team identified the following areas where the financial statements were most susceptible to material misstatement due to fraud:

Risk	Audit procedures performed by the audit engagement team included:
Revenue recognition	Gaining an understanding of the processes and controls operated over revenue recognition and performing walk through tests. Performing a 3-way match between the EPOS system, the accounting records and cash receipts. Reviewing the controls in place over weekly sales to cash reconciliations.

The Ivy West Street Limited

Independent Auditor's Report to the Members of The Ivy West Street Limited (continued)

	Reviewing sales by site for any significant or unusual trends.
Government grants – Coronavirus Job Retention Scheme (CJRS) claims	Obtaining an understanding of the processes and controls around CJRS claims. Agreeing receipts in respect of CJRS to supporting claims and subsequent payment to furloughed employees. Testing a sample of employee furlough claims back to management calculations and reperforming calculations using the HMRC calculator.
Management override of controls	Testing the appropriateness of journal entries and other adjustments. Assessing whether the judgements made in making accounting estimates are indicative of a potential bias. Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Newman

PAUL NEWMAN (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date 13/05/22

The Ivy West Street Limited

Statement of Comprehensive Income For the Period Ended 02 January 2022

	Note	04 January 2021 to 02 January 2022 £000	30 December 2019 to 03 January 2021 £000
Revenue	4	6,438	4,375
Cost of sales		(1,519)	(1,060)
Gross profit		4,919	3,315
Administrative expenses		(4,431)	(4,015)
Other operating income		674	743
Adjusted EBITDA*		1,207	448
Depreciation	5	(17)	(177)
Amortisation	5	(1)	(3)
Restaurant re-opening costs	6	(27)	(225)
Operating profit	5	1,162	43
Tax on profit	8	(253)	(24)
Profit for the financial period		909	19
Other comprehensive income for the period		-	-
Total comprehensive income for the period		909	19

All amounts relate to continuing operations.

*Adjusted EBITDA is earnings before tax, depreciation, amortisation, and restaurant re-opening costs.

The notes on pages 10 to 24 form part of these financial statements.

The Ivy West Street Limited

Registered number: 11658425

Statement of Financial Position As at 02 January 2022

	Note	02 January 2022 £000	03 January 2021 £000
Fixed assets			
Intangible assets	9	-	1
Tangible fixed assets	10	2,018	1,803
		<u>2,018</u>	<u>1,804</u>
Current assets			
Stocks	11	203	167
Debtors	12	2,285	266
Cash and cash equivalents	13	534	751
		<u>3,022</u>	<u>1,184</u>
Creditors: amounts falling due within one year	14	(17,536)	(16,458)
Net current liabilities		<u>(14,514)</u>	<u>(15,274)</u>
Total assets less current liabilities		<u>(12,496)</u>	<u>(13,470)</u>
Provisions for liabilities			
Deferred tax	15	(131)	(66)
Net liabilities		<u>(12,627)</u>	<u>(13,536)</u>
Capital and reserves			
Share capital	16	-	-
Merger reserve	17	(14,182)	(14,182)
Profit and loss account	17	1,555	646
		<u>(12,627)</u>	<u>(13,536)</u>

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

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



C J Robinson

Director

Date: 13-05-2022

The notes on pages 10 to 24 form part of these financial statements.

The Ivy West Street Limited

Registered number: 11658425

Statement of Changes in Equity For the Period Ended 02 January 2022

	Share capital	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 04 January 2021	-	(14,182)	646	(13,536)
Comprehensive income for the period				
Profit for the period	-	-	909	909
At 02 January 2022	-	(14,182)	1,555	(12,627)

Statement of Changes in Equity For the Period Ended 03 January 2021

	Share capital	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 30 December 2019		(14,182)	627	(13,555)
Comprehensive income for the period				
Profit for the period	-	-	19	19
At 03 January 2021	-	(14,182)	646	(13,536)

The notes on pages 10 to 24 form part of these financial statements.

The Ivy West Street Limited

Notes to the Financial Statements for the Period Ended 02 January 2022

1. General information

The Ivy West Street Limited is a private company, limited by shares and domiciled in England and Wales under the Companies Act 2006. The registered office is set out on the company information page. The nature of the company's operations and its principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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 as applicable to companies subject to the small companies' regime. There were no material departures from the standard.

The financial statements are presented in sterling which is also the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £1,000, except where otherwise indicated.

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

The following principal accounting policies have been applied:

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 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Troia (UK) Restaurants Limited as at 02 January 2022 and these financial statements may be obtained from Companies House, 80 Petty France, Westminster, London SW1H 9EX.

2.3 Going concern

The Covid-19 pandemic caused further business interruption in 2021, with restaurants forced to close early in the year and further restrictions impacting trade until May 2021. Upon re-opening outdoor dining at a number of restaurants in April 2021 followed by full re-opening of the whole estate in May 2021, trading was very strong with consumer confidence returning rapidly.

The closure of our restaurants has required us to reduce our variable costs and fixed costs, where possible, to offset the impacts of these closures. A key fixed cost that we were able to reduce was rent, as a result of continued negotiations with landlords to obtain rent concessions for the closure period. The closures also had an impact on our employees, though we have been able to leverage financial assistance through government support schemes such as the Coronavirus Job Retention Scheme.

The Ivy West Street Limited

Note to the Financial Statements For the Period Ended 02 January 2022

2. Accounting policies (continued)

2.3 Going concern (continued)

Despite the challenges relating to COVID-19, the company was able to re-open with both cash reserves and balance sheet being in strong positive positions.

During the year the Group has agreed a new revolving credit facility with HSBC covering three groups under common control of Mr R Caring namely Caprice Holdings, The Birley Group and Troia (UK) Restaurants (the "banking group"), with this facility commencing from 30th April 2021 and expiring on 29 April 2022. Subsequent to the year-end date, the group re-financed this facility with an amortising term loan of £120 million and a two year RCF of £70 million.

In assessing the going concern basis of preparation of the consolidated financial statements for the period ended 02 January 2022, the directors have taken into consideration detailed cash flow forecasts for the business within this group, and of those within the wider banking group, the forecast compliance with bank covenants, which are set at a banking group level, and the continued availability of funding from banks and shareholders covering a period of at least 12 months from the date of approval of the financial statements. Cashflow forecasts have been prepared based on a range of scenarios including, but not limited to, changes in CAPEX spends, various trading revenue levels, cost reductions, and a combination of these different scenarios.

Based on the available cash and the plans that have been put in place to manage the business in a cost-controlled manner, the directors believe that the business will be able to operate within its agreed facilities, meet all of its covenant requirements and have the continued support of its bank and shareholders throughout the going concern period. The Group is fortunate to benefit from the support of its bank and its significant shareholder and has agreed its new term loan and revolving credit facility. The significant shareholder has indicated that he would be willing to support the Group should cash funding be required that wasn't available through increasing existing or negotiated facilities with the Group's bank. Therefore, the expectation of the Directors is that the Company will be able to continue in operation and meet its liabilities as they fall due over a period of at least 12 months from the date of approval of these accounts. The Directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Revenue

Revenue represents net invoiced sales of goods, excluding value added tax. Revenue is recognised when payment is tendered at the time of sale, and is all recognised in the United Kingdom.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful life range as follows:

Trademarks	-	5	Years
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The Ivy West Street Limited

Note to the Financial Statements For the Period Ended 02 January 2022

2. Accounting policies (continued)

2.6 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to statement of comprehensive income during the period in which they are incurred.

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 the life of the lease
Artwork	- not depreciated
Plant and machinery	- 5 - 10 years
Fixtures and fittings	- 5 - 10 years
Office and computer equipment	- 5 - 10 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 administrative expenses in the statement of comprehensive income.

2.7 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Lease premiums paid to acquire sites are capitalised and amortised over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term.

During the year the company has received rent concessions on its leased property. In accordance with the amendment to FRS 102 the company has recognised the change in lease payments over the period that the change is intended to compensate where the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is less than the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- there is no significant change to the other terms and conditions of the lease.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

2. Accounting policies (continued)

2.8 Stocks

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

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in statement of comprehensive income.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

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

2.11 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.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in other creditors as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

2. Accounting policies (continued)

2.14 Holiday pay accrual

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

2.15 Current and deferred 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.16 Adjusted EBITDA

Restaurant re-opening costs

Restaurant re-opening costs relate to the costs of training staff on all safety measures relating to social distancing and covid secure trading environments as well as the initial purchase of protective equipment and sanitisers, that are required for re-opening of restaurants.

2.17 Government grant & other income

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset expenses the related costs for which the grants are intended to compensate.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

2. Accounting policies (continued)

2.17 Government grant & other income (continued)

Coronavirus Job Retention Scheme ("CJRS")

Under this scheme, HMRC will reimburse up to 80% of the wages of certain employees who have been asked to stop working, but who are being kept on the payroll ("furloughed"). The scheme is designed to compensate for staff costs, so amounts received are recognised in the Income

Statement over the same period as the costs to which they relate. Income relating to CJRS has been recognised in other operating income in the Income Statement.

Eat Out to Help Out

Throughout August 2020, HMRC offered a 50% discount of food and non-alcoholic drinks, capped to £10 per person, when dining out between Monday and Wednesday. Revenue in the comparative period includes amounts reimbursed from HMRC in respect of the scheme.

Business rates and Coronavirus additional restrictions grants

Businesses in the retail, hospitality and leisure sectors in England do not have to pay business rates for the 2021 to 2022 tax year. Restaurant related business rates charges have therefore been recognised in the Income Statement for the remainder of the period. Income relating to the additional restriction grants has been recognised within other operating income in the Income Statement

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

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the company's tangible fixed assets. The company considers annually whether there are any indicators of impairment regarding the carrying value of its fixed assets. Where there are indicators, the directors' use impairment models with detailed cash flow forecasts to determine the recoverable amounts of the cash generating units. The Directors consider each restaurant unit as a separate CGU. This has been calculated using the higher the value in use and the asset's fair value less costs to sell. The value in use calculation requires estimates of future growth rates, pre-tax discount rates and capital maintenance expenditure. The fair value less costs to sell calculation requires estimates on fair maintainable trade and EBITDA multiples. The sensitivities of the assumptions are considered and reviewed by the directors as part of their impairment assessments.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 10)
Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value estimates consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

4. Revenue

All revenue is attributable to the principal activity of the company and arises solely within the United Kingdom.

5. Operating profit for the period

The operating profit for the period is stated after charging/(crediting):

	04 January 2021 to 02 January 2022 £000	30 December 2019 to 03 January 2021 £000
Depreciation	17	177
Amortisation	1	3
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	7	11
Other operating lease rentals	<u>927</u>	<u>451</u>

Operating lease rentals above is the expense recorded after recognising in the income statement Covid-19 related rent concessions received of £nil (2020 - £433k).

6. Restaurant re-opening costs

	04 January 2021 to 02 January 2022 £000	30 December 2019 to 03 January 2021 £000
Restaurant re-opening costs	27	225
	<u>27</u>	<u>225</u>

Re-opening costs relate to the costs of training staff on all safety measures relating to social distancing and covid secure trading environments as well as the initial purchase of protective equipment and sanitisers.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

7. Employees

Staff costs were as follows:

	04 January 2021 to 02 January 2022 £000	Restated 30 December 2019 to 03 January 2021 £000
Wages and salaries	2,331	2,555
Social security costs	203	154
Pension contributions	33	31
	<u>2,567</u>	<u>2,740</u>

The comparative staff costs were amended from those previously reported to disclose only wages and salaries payable in respect of the average monthly number of employees during the period as set out below.

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

	04 January 2021 to 02 January 2022 No.	30 December 2019 to 03 January 2021 No.
Operations	<u>98</u>	<u>121</u>

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

8. Taxation

	04 January 2021 to 02 January 2021 £000	30 December 2019 to 03 January 2021 £000
Corporation tax		
Current tax on profits for the year	<u>188</u>	<u>11</u>
Deferred tax		
Origination and reversal of timing differences	39	-
Adjustments in respect of prior periods	4	-
Effect of tax rate change on opening balance	22	-
Fixed asset timing differences	-	4
Short term timing differences	-	9
Total deferred tax	<u>65</u>	<u>13</u>
Taxation on charge on profit on ordinary activities	<u>253</u>	<u>24</u>

Factors affecting tax charge for the period

The tax assessed for the period is higher than (period ended 03 January 2021 - higher than) the standard rate of corporation tax in the UK of 19.00% (period ended 03 January 2021 - 19.00%). The differences are explained below:

	04 January 2021 to 02 January 2022 £000	30 December 2019 to 03 January 2021 £000
Profit on ordinary activities before tax	<u>1,162</u>	<u>43</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00%	221	8
Effects of:		
Fixed asset differences	1	8
Group relief claimed	-	-
Tax rate differences	-	8
Adjustment in respect of prior periods	(4)	-
Adjustments in respect of prior periods (deferred tax)	4	-
Remeasurement of deferred tax for changes in tax rates	31	-
Total tax charge for the period	<u>253</u>	<u>24</u>

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

9. Intangible assets

	Trademarks £000
Cost	
At 04 January 2021	5
Additions	-
	<hr/>
At 02 January 2022	5
	<hr/>
Amortisation	
At 04 January 2021	4
Charge for the period	1
	<hr/>
At 02 January 2022	5
	<hr/>
Net book value	
At 02 January 2022	<hr/> <hr/> -
At 03 January 2021	<hr/> <hr/> 1

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

10. Tangible fixed assets

	Leasehold improvements £000	Artwork £000	Plant and machinery, fixtures & fittings £000	Office and computer equipment £000	Total £000
Cost or valuation					
At 04 January 2021	1,283	200	525	58	2,066
Additions	14	-	217	1	232
Disposals	-	-	-	(2)	(2)
At 02 January 2022	<u>1,297</u>	<u>200</u>	<u>742</u>	<u>57</u>	<u>2,296</u>
Depreciation					
At 04 January 2021	148	-	105	10	263
Charge for the period	(27)	-	29	15	17
Disposals	-	-	-	(2)	(2)
At 02 January 2022	<u>121</u>	<u>-</u>	<u>-</u>	<u>23</u>	<u>-</u>
Net book value					
At 02 January 2022	<u>1,176</u>	<u>200</u>	<u>608</u>	<u>34</u>	<u>2,018</u>
At 03 January 2021	<u>1,135</u>	<u>200</u>	<u>420</u>	<u>48</u>	<u>1,803</u>

No assets are held under finance leases.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

11. Stocks

	02 January 2022 £000	03 January 2021 £000
Raw materials and consumables	<u>203</u>	<u>167</u>

Stock recognised in cost of sales as an expense during the period was £1,514k (period ended 03 January 2021 - £1,058k).

12. Debtors

	02 January 2022 £000	03 January 2021 £000
Trade debtors	27	22
Amounts owed by related parties	2,000	-
Prepayments and accrued income	258	10
Other debtors	-	234
	<u>2,285</u>	<u>266</u>

All amounts shown under debtors fall due for payment within one year.

13. Cash and cash equivalents

	02 January 2022 £000	03 January 2021 £000
Cash at bank and in hand	<u>534</u>	<u>751</u>

14. Creditors: Amounts falling due within one year

	02 January 2022 £000	03 January 2021 £000
Trade creditors	447	315
Amounts owed to group undertakings	14,501	14,246
Amounts owed to related parties	1,342	1,145
Corporation tax	261	87
Other taxation and social security	265	261
Other creditors	143	25
Accruals and deferred income	577	379
	<u>17,536</u>	<u>16,458</u>

All amounts due are interest free, unsecured and repayable on demand.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

15. Deferred taxation

	02 January 2022 £000	03 January 2021 £000
At beginning of year	(66)	(53)
Charged to Statement of comprehensive income in the year	(65)	(13)
At end of year	(131)	(66)

The provision for deferred taxation is made up as follows:

	02 January 2022 £000	03 January 2021 £000
Fixed asset timing differences	(131)	(66)

16. Share capital

	02 January 2022 £000	03 January 2021 £000
Allotted, called up and fully paid		
2- Ordinary shares of £1 each	-	-

Ordinary shares are non-redeemable, but hold full rights in respect of voting, dividends and entitle the holder to full participation in respect of equity and in the event of a winding up of the company.

17. Reserves

Share capital

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

Merger reserve

The merger reserve represents the excess of acquisition cost over the book value of the assets acquired from Caprice Holdings Limited.

Profit and loss account

Cumulative profits or losses, net of dividends paid and other adjustments.

The Ivy West Street Limited

Notes to the Financial Statements For the Period Ended 02 January 2022

18. Contingent liabilities

The company is a guarantor to a £168m (period ended 03 January 2021 - £96m) revolving credit facility taken out by a group of companies related by common control, including Troia (UK) Restaurants Limited. As at 02 January 2022, the total amount outstanding under the loan facility assigned to Troia UK Restaurants Ltd was £94m (period ended 03 January 2021 - £84m).

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £33k (2020: £31k). Contributions totalling £25k (2020: £22k) were payable to the fund at the reporting date.

20. Commitments under operating leases

At 02 January 2022 the company had future minimum lease payments under non-cancellable operating leases as follows:

	02 January 2022 £000	03 January 2021 £000
Not later than 1 year	865	865
Later than 1 year and not later than 5 years	3,460	3,460
Later than 5 years	22,016	22,881
	<u>26,341</u>	<u>27,206</u>

21. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

During the period, the company entered into transactions with companies incorporated in the United Kingdom and related to the company by virtue of the same ultimate controlling party during the period. Ivy West Street was charged £757k (2021: £535k) for administrative expenses, staff costs and fixed cost recharges during the period. At 02 January 2022, a balance of £1,342k (2021: £1,145k) was owed to the related parties and a balance of £2,000 (2021: £Nil) was owed by the related parties.

22. Ultimate parent company and controlling party

The ultimate parent company is Troia Limited, a company registered in Jersey.

The largest and smallest group in which the results of the company are consolidated is that headed by Troia (UK) Restaurants Limited. The consolidated accounts are available to the public and may be obtained from Companies House, 80 Petty France, Westminster, London SW1H 9EX.

The ultimate controlling party is Mr R A Caring.

The Ivy West Street Limited

Notes to the Financial Statements for the Period Ended 02 January 2022

23. Post balance sheet events

Subsequent to the year-end date, the group re-financed its existing facility with an amortising term loan of £120 million and a two year RCF of £70 million.