

## **Le Cordon Bleu Limited**

Annual Report and Financial Statements

Year Ended

31 December 2021

Company Number 00408009

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# Le Cordon Bleu Limited

## Company Information

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<b>Directors</b>	A A M F Cointreau Le Cordon Bleu International BV
<b>Registered number</b>	00408009
<b>Registered office</b>	15 Bloomsbury Square London WC1A 2LS
<b>Independent auditor</b>	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

# Le Cordon Bleu Limited

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# Le Cordon Bleu Limited

## Group Strategic Report For the year ended 31 December 2021

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### Introduction

The directors present their strategic report for the group headed by Le Cordon Bleu Limited for the year ended 31 December 2021, which includes the statement of corporate governance and internal control for that year and up to the date of approval of the financial statements.

### Business review

Le Cordon Bleu Limited has amongst its primary objectives the development of excellence in training, education and related fields and the enhancement of the reputation of the trade name and trademark "Le Cordon Bleu". The company achieves this objective through disseminating the culinary savoir-faire of the best master chefs in its state of the art facility in Bloomsbury Square, London. It also delivers higher education courses in Restaurant and Hospitality management and nutrition. The company is committed to promoting the highest ethical behaviour of all employees and establishing sound business practices generating sufficient financial returns to allow development of its educational programme, investment in its staff and in its community responsibilities.

Le Cordon Bleu Limited's activities include training and education in the culinary and hospitality management fields. The world famous Le Cordon Bleu academies and institutes of classical French cuisine and patisserie originated in Paris in 1895 and have subsequently expanded into the domain of hospitality education, with establishments opened or in the process of opening in other parts of the world including London, England (1933), North America (1988), Tokyo, Japan (1991), Sydney, Australia (1996), Mexico (1998), Adelaide, Australia (1999, Degree in Restaurant & Hospitality Management), Central America (2000, Degree in Hospitality), USA (2000, Associate Degree in Restaurant Management and 2004 Degree in Hotel and Restaurant Management), Peru (2000, Degree in Hospitality and Culinary), Korea (2002), USA (2004, Degree in Hotel and Restaurant Management), Lebanon (2004, Degree in Hospitality), New Zealand (2006 BA in Culinary Arts), Thailand (2007), Spain (2007), Malaysia (2010), Shanghai, China (2012), Rio de Janeiro, Brazil (2012), Turkey (2012), Taiwan (2012), India (2013), Philippines (2013), Chile (2014), Sao Paulo, Brazil (2016) and Beijing, China (2018).

Le Cordon Bleu Limited is committed to innovation and best practice in Gastronomy, Hospitality and Management and honours its commitments through teaching, learning and research conducted in conjunction with the development of products and services. The company has continued to develop new courses and programmes. The first cohort of the BBA Culinary Industry Management, jointly delivered with Birkbeck (University of London) started in September 2018. In addition, a MSc in Culinary Innovation Management has been developed and is also being jointly delivered with Birkbeck with the first cohort having started in September 2020.

The company has also developed an internship programme enabling students to have an opportunity of working in the culinary and hospitality industry to put into practice the skills learnt on its programmes and help support their future careers.

The company has responded to the increased attention in society towards lowering meat consumption and has launched in 2020 its Diploma in Plant Based Culinary Arts following on from its Diploma in Gastronomy, Nutrition & Food Trends. The success of this programme had led to the development of the Diploma in Patisserie Innovation and Wellness, which was launched in 2021.

The company, through its subsidiary Gastronomist Limited, has acquired a lease at 85 Fleet Street to develop a high end restaurant, café and courses for private individuals and corporates. The facility will open, COVID-19 restrictions permitting, in the early summer of 2022. The facility will also enable students to gain some practical understanding of an operating hospitality business.

# Le Cordon Bleu Limited

## Group Strategic Report (continued) For the year ended 31 December 2021

### Performance

The performance of the group has been significantly affected by COVID-19 and the results reflect the impact of Government imposed lockdowns, restrictions on travel and social distancing rules within the training facility. The directors remain confident on the prospects for the group given the strong student numbers prior to the pandemic and the continued level of student enquiries. Trading results are expected to continue to improve in 2022 as COVID-19 related restrictions are lifted.

The pandemic has created significant challenges but the group has put in place processes and procedures to mitigate as far as possible the financial effects.

#### *Financial key performance indicators*

	2021 £'000	2020 £'000
Turnover from operations	6,915	5,612
Net result from continuing operations	<u>(1,304)</u>	<u>(1,699)</u>

Turnover has increased by 23.2% compared to prior year. The prior year was significantly affected by the UK Government imposed national lockdown which resulted in the loss of one teaching term.

Despite the improvement in top line performance, a net loss was still generated in the year. The net loss reflects the impact of social distancing rules which limited the number of students in each class and the fixed costs of the business such as rent and rates. The directors have, with management, introduced heightened cash and cost monitoring actions, including the deferral of certain rent and loan repayments to related undertakings and the take up of some of the financial support made available by the Government to aid businesses during this time, with £108,284 (2020 - £367,139) received under the Coronavirus Job Retention Scheme.

The loss has adversely affected the group's balance sheet. However, the group still has net current assets of £1,546k (2020 - £1,175k) and cash balance of £3,022k (2020 - £2,303k) and remains well placed to move forward now that COVID-19 restrictions have been lifted.

### Statement of corporate governance and internal control

The board of directors is responsible for setting the group's long-term strategy and objectives, and for overseeing its governance and system of internal control. The board receives reports from and meets with management on a regular basis to discuss financial performance, the key risks facing the business and the controls in place to mitigate these. Those risks and related controls are summarised in the principal risks and uncertainties section of this strategic report.

The board does not consider that the size and complexity of the group warrants the establishment of an internal audit function. However, the board considers the internal control findings that arise from the external audit process and will take action to address any weaknesses that are identified. No significant control weaknesses were reported by the external auditor in relation to their audit of these financial statements.

# Le Cordon Bleu Limited

## Group Strategic Report (continued) For the year ended 31 December 2021

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### Principal risks and uncertainties

The principal risk and uncertainty facing the group is the continuing impact of COVID-19. The measures, such as lockdowns and social distancing, that were introduced by the UK Government, and travel restrictions imposed by Governments across the world, create uncertainty. The directors are pleased to note that many prospective students remain interested in starting or concluding their studies as the restrictions are eased.

The UK market remains complex and competitive and the group has responded to the challenge by providing students with new courses and internship programmes to differentiate itself further from its competitors. In addition, the development of a jointly delivered degree and Master's programmes with Birkbeck (University of London) has provided the company with new products to both enhance its reputation and increase student numbers.

One of the challenges facing all higher education providers is the UK Government's increasing regulatory requirements for international students. This will continue to prove to be a challenge for the group. However, the group through the LCB international network of schools and through experienced international agents has historically demonstrated a strength in securing students from these markets and anticipates doing so in the coming year.

Le Cordon Bleu Limited was admitted to the register of the Office for Students in 2019. This allows the company to continue to be a Tier 4 visa sponsor and is subject to regular review and monitoring by the Quality Assurance Agency for Higher Education. The company is subject to regular inspection from the British Accreditation Council, holds accreditation from NCFE (a national education awarding organisation) and a number of its courses are credit-rated on the Scottish Credit and Qualifications Framework through the Scottish Qualifications Authority.

Another challenge for the group is the change in the visa requirements for EU students following Brexit. The group continues to monitor developments and invest in any necessary training and systems required to meet any new regulatory requirements for EU nationals looking to study in the UK.

Other key risks include the continued increase in competition with the opening of new academies and cookery schools. These are monitored by the board of directors.

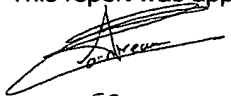
The group requires full payment of course fees prior to the start of the course which significantly reduces the risk of bad debts.

The group monitors its cash flows as part of its regular control procedures. The board considers cash flow projections and ensures that appropriate facilities are available to be drawn upon as necessary. Cash flow forecasts continue to be reworked in response to the impact on the business of COVID-19 variants and the group continues to take steps to mitigate costs and cash outflows during this period of uncertainty.

The group recognises its obligations to ensure development and retention of staff. This is achieved by ensuring the teaching team have appropriate qualifications and are supported with continual development to ensure they maintain teaching excellence on all courses.

The group has not experienced any impact on trading following the Russian/Ukraine conflict and does not expect, at this stage, any impact on trading going forward.

This report was approved by the board on 31 March 2022 and signed on its behalf.

  
A A M F Cointreau  
Director

# **Le Cordon Bleu Limited**

## **Directors' Report For the year ended 31 December 2021**

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The directors present their report and the financial statements for the year ended 31 December 2021.

### **Principal activities**

The principal activity of the company during the year was the operation of the Le Cordon Bleu Culinary Arts Institute in London, providing training in cookery and related products and services. The group carries out the same activities in Shanghai, China, through an associated undertaking and is in the process of setting up a restaurant in London through the company's subsidiary, Gastronomist Limited.

### **Business review**

A review of the business performance and its principal risks and uncertainties is set out in the Strategic Report on pages 1 to 3 of these financial statements.

### **Results and dividends**

The loss for the year, after taxation, amounted to £1,304,330 (2020 - £1,699,215).

The directors do not recommend the payment of a dividend (2020 - £Nil).

### **Directors**

The directors who served during the year and to the date of this report were:

A A M F Cointreau  
Le Cordon Bleu International BV

### **Subsequent events and going concern**

COVID-19 continued to impact the ability of the company to deliver the culinary and hospitality courses as planned during 2021 and the start date for Term 1 was delayed to March. However, with lockdown restrictions in the UK now lifted and the vaccination programme progressing well, the group is able to plan to run a full programme of courses going forward and open its restaurant in the early summer of 2022. Although certain travel restrictions remain in place which adversely impacts the number of overseas students currently able to attend courses, student booking numbers are increasing and are reaching pre-COVID levels.

Based on current forecasts, the growth in cash balances in 2021, the growth in student applications for 2022 courses and alongside an undertaking of continued financial support received from the ultimate parent company, the directors are of the opinion that the group and company will be able to continue as a going concern for the foreseeable future, being a period of at least twelve months from the date of approving these financial statements.

### **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 and the group's auditor is 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 and the group's auditor is aware of that information.

# Le Cordon Bleu Limited

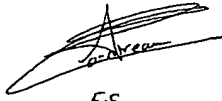
## Directors' Report (continued) For the year ended 31 December 2021

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### Auditor

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

This report was approved by the board on 31 March 2022 and signed on its behalf.



**A A M F Cointreau**  
Director



# **Le Cordon Bleu Limited**

## **Directors' Responsibilities Statement For the year ended 31 December 2021**

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The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 the group and of the profit or loss of the group 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 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.

# Le Cordon Bleu Limited

## Independent Auditor's Report to the Members of Le Cordon Bleu Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Le Cordon Bleu Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the group and parent 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.

### 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 group's and parent 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.

# **Le Cordon Bleu Limited**

## **Independent Auditor's Report to the Members of Le Cordon Bleu Limited (continued)**

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### **Other information**

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

### **Other Companies Act 2006 reporting**

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

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

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

### **Opinion on other matters required by the Office for Students ("OfS")**

In our opinion, in all material respects:

- Funds from whatever source administered by the parent company for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

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

- The parent company's grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

# Le Cordon Bleu Limited

## Independent Auditor's Report to the Members of Le Cordon Bleu Limited (continued)

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### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

- We gained an understanding of the legal and regulatory framework applicable to the group and the industry in which it operates, and considered the risk of acts by the entities within the group that were contrary to applicable laws and regulations, including fraud.
- We considered the group's and parent company's compliance with laws and regulations that have a direct impact on the financial statements including, but not limited to, UK company law, UK accounting standards, UK tax legislation and the requirements of the OfS, and we considered the extent to which non-compliance might have a significant effect on the group and the requirements of the parent company financial statements.
- We designed audit procedures to identify instances of non-compliance with such laws and regulations. Our procedures included reviewing the financial statement disclosures and agreeing to underlying supporting documentation where necessary. We made enquiries of group management and the directors of the parent company as to the risks of non-compliance and any instances thereof.
- We addressed the risk of management override of internal controls, including testing a sample of journal entries based on risk criteria processed during and subsequent to the year and evaluating whether there was evidence of bias in accounting estimates that represented a risk of material misstatement due to fraud.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

# Le Cordon Bleu Limited

## Independent Auditor's Report to the Members of Le Cordon Bleu Limited (continued)

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### Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
*Christopher Wingrave*  
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**Christopher Wingrave** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick  
United Kingdom

Date: 01 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Le Cordon Bleu Limited

## Consolidated Statement of Comprehensive Income For the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover	4	6,914,584	5,611,553
<b>Gross profit</b>		<b>6,914,584</b>	<b>5,611,553</b>
Administrative expenses		(8,190,582)	(7,687,850)
Other operating income	5	147,234	402,835
<b>Operating loss</b>	7	<b>(1,128,764)</b>	<b>(1,673,462)</b>
Share of loss in associated undertakings	14	(143,613)	(114,797)
Interest receivable and similar income	10	1,515	7,627
Interest payable and similar expenses	11	(280,689)	(316,152)
<b>Loss before taxation</b>		<b>(1,551,551)</b>	<b>(2,096,784)</b>
Tax on loss	12	247,221	397,569
<b>Loss for the financial year</b>		<b>(1,304,330)</b>	<b>(1,699,215)</b>
Currency translation differences		3,070	8,684
<b>Other comprehensive income for the year</b>		<b>3,070</b>	<b>8,684</b>
<b>Total comprehensive income for the year</b>		<b>(1,301,260)</b>	<b>(1,690,531)</b>
<b>Loss for the year attributable to:</b>			
Owners of the parent company		<b>(1,304,330)</b>	<b>(1,699,215)</b>

The notes on pages 19 to 37 form part of these financial statements.

**Le Cordon Bleu Limited**  
Registered number:00408009

**Consolidated Statement of Financial Position**  
**As at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	6,505,774	7,260,225
Investments	14	43,955	184,498
		<u>6,549,729</u>	<u>7,444,723</u>
<b>Current assets</b>			
Stocks	15	249,460	265,802
Debtors: amounts falling due within one year	16	1,369,912	1,224,360
Cash at bank and in hand	17	3,022,443	2,303,403
		<u>4,641,815</u>	<u>3,793,565</u>
Creditors: amounts falling due within one year	18	(3,095,481)	(2,618,972)
<b>Net current assets</b>		<u>1,546,334</u>	<u>1,174,593</u>
<b>Total assets less current liabilities</b>		<u>8,096,063</u>	<u>8,619,316</u>
Creditors: amounts falling due after more than one year	19	(5,240,825)	(5,240,825)
Deferred income		(5,494,296)	(4,716,289)
<b>Net liabilities</b>		<u>(2,639,058)</u>	<u>(1,337,798)</u>
<b>Capital and reserves</b>			
Called up share capital	22	873,807	873,807
Share premium account	23	1,109,621	1,109,621
Profit and loss account	23	(4,622,486)	(3,321,226)
		<u>(2,639,058)</u>	<u>(1,337,798)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 March 2022.

  
E.S.  
**A A M F Cointreau**  
Director

The notes on pages 19 to 37 form part of these financial statements.

# Le Cordon Bleu Limited

Registered number:00408009

## Company Statement of Financial Position As at 31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	4,552,709	5,055,145
Investments	14	155,422	155,422
		<u>4,708,131</u>	<u>5,210,567</u>
<b>Current assets</b>			
Stocks	15	144,177	142,659
Debtors: amounts falling due within one year	16	3,806,587	3,856,117
Cash at bank and in hand	17	2,960,919	2,232,840
		<u>6,911,683</u>	<u>6,231,616</u>
Creditors: amounts falling due within one year	18	(2,640,685)	(2,487,870)
<b>Net current assets</b>		<u>4,270,998</u>	<u>3,743,746</u>
<b>Total assets less current liabilities</b>		<u>8,979,129</u>	<u>8,954,313</u>
Creditors: amounts falling due after more than one year	19	(5,240,825)	(5,240,825)
<b>Provisions for liabilities</b>			
Deferred taxation	21	(34,437)	(2,940)
Deferred income		(5,494,296)	(4,716,289)
<b>Net liabilities</b>		<u>(1,790,429)</u>	<u>(1,005,741)</u>
<b>Capital and reserves</b>			
Called up share capital	22	873,807	873,807
Share premium account	23	1,109,621	1,109,621
Profit and loss account	23	(3,773,857)	(2,989,169)
		<u>(1,790,429)</u>	<u>(1,005,741)</u>



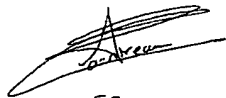
**Le Cordon Bleu Limited**  
Registered number:00408009

**Company Statement of Financial Position (continued)**  
**As at 31 December 2021**

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The parent company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The loss after tax of the company was £784,688 (2020 - £1,314,627).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 March 2022.



E.S

**A A M F Cointreau**  
Director

The notes on pages 19 to 37 form part of these financial statements.

# Le Cordon Bleu Limited

## Consolidated Statement of Changes in Equity For the year ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	873,807	1,109,621	(3,321,226)	(1,337,798)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(1,304,330)	(1,304,330)
Currency translation differences	-	-	3,070	3,070
<b>Total comprehensive income for the year</b>	-	-	(1,301,260)	(1,301,260)
<b>At 31 December 2021</b>	<b>873,807</b>	<b>1,109,621</b>	<b>(4,622,486)</b>	<b>(2,639,058)</b>

## Consolidated Statement of Changes in Equity For the year ended 31 December 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	873,807	1,109,621	(1,630,695)	352,733
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(1,699,215)	(1,699,215)
Currency translation differences	-	-	8,684	8,684
<b>Total comprehensive income for the year</b>	-	-	(1,690,531)	(1,690,531)
<b>At 31 December 2020</b>	<b>873,807</b>	<b>1,109,621</b>	<b>(3,321,226)</b>	<b>(1,337,798)</b>

The notes on pages 19 to 37 form part of these financial statements.

# Le Cordon Bleu Limited

## Company Statement of Changes in Equity For the year ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	873,807	1,109,621	(2,989,169)	(1,005,741)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(784,688)	(784,688)
<b>Total comprehensive income for the year</b>	-	-	(784,688)	(784,688)
<b>At 31 December 2021</b>	<b>873,807</b>	<b>1,109,621</b>	<b>(3,773,857)</b>	<b>(1,790,429)</b>

## Company Statement of Changes in Equity For the year ended 31 December 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	873,807	1,109,621	(1,674,542)	308,886
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(1,314,627)	(1,314,627)
<b>Total comprehensive income for the year</b>	-	-	(1,314,627)	(1,314,627)
<b>At 31 December 2020</b>	<b>873,807</b>	<b>1,109,621</b>	<b>(2,989,169)</b>	<b>(1,005,741)</b>

The notes on pages 19 to 37 form part of these financial statements.

# Le Cordon Bleu Limited

## Consolidated Statement of Cash Flows For the year ended 31 December 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(1,304,330)	(1,699,215)
<b>Adjustments for:</b>		
Depreciation of tangible assets	774,806	572,650
Loss on disposal of tangible assets	1,843	-
Share of operating loss in associates	143,613	114,797
Interest paid	280,689	316,152
Interest received	(1,515)	(7,627)
Taxation charge	(247,221)	(397,569)
Decrease/(increase) in stocks	16,342	(145,345)
Decrease in debtors	101,669	261,517
Increase in creditors	1,254,516	514,500
Corporation tax paid	-	(65,794)
<b>Net cash flows from operating activities</b>	<b>1,020,412</b>	<b>(535,934)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(25,232)	(1,334,688)
Sale of tangible fixed assets	3,034	-
Interest received	1,515	7,627
<b>Net cash flows from investing activities</b>	<b>(20,683)</b>	<b>(1,327,061)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans from group undertakings	-	(110,334)
Interest paid	(280,689)	(316,152)
<b>Net cash flows from financing activities</b>	<b>(280,689)</b>	<b>(426,486)</b>

# Le Cordon Bleu Limited

## Consolidated Statement of Cash Flows (continued) For the year ended 31 December 2021

	2021 £	2020 £
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>719,040</b>	<b>(2,289,481)</b>
Cash and cash equivalents at beginning of year	2,303,403	4,592,884
<b>Cash and cash equivalents at the end of year</b>	<b>3,022,443</b>	<b>2,303,403</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	3,022,443	2,303,403
	<b>3,022,443</b>	<b>2,303,403</b>

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 1. General information

Le Cordon Bleu Limited is a private company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page and the nature of the group's and parent company's operations and their principal activities are disclosed 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 unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

#### *Parent company disclosure exemption*

In preparing the separate financial statements of the parent company, advantage has been taken of the following exemptions available to qualifying entities:

- No cash flow statement, net debt reconciliation or financial instrument disclosures have been presented for the parent company; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

#### *Associates*

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated financial statements, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. Any share of losses are only recognised to the extent that they do not reduce the investment balance below zero as the group has no obligations to make payments on behalf of the associate, and any share of subsequent profits shall be accounted for once the unrecognised profits are equal the unrecognised losses. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition. Any unrealised profits and losses from transactions between the group and the associate are eliminated to the extent of the group's interest in the associate.

# **Le Cordon Bleu Limited**

## **Notes to the Financial Statements For the year ended 31 December 2021**

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### **2. Accounting policies (continued)**

#### **2.3 Going concern**

At 31 December 2021, the group statement of financial position showed a net liability position of £2,639,058. This amount is stated after the inclusion of a long-term loan amounting to £5,461,493 due to the ultimate parent company, which is being repaid in quarterly instalments of £55,167, and available cash of £3,022,443. The group reported a loss in the year, which is attributed to the impact that the COVID-19 pandemic had on its ability to deliver certain culinary and hospitality courses as originally planned and on the number of students able to attend courses. It also led to the deferral of the opening of the group's new restaurant operation. In response, the directors and management introduced heightened cash and cost monitoring actions, including the deferral of certain rent and loan repayments to related undertakings and the take up of some of the financial support made available by the Government to aid businesses during this time.

Since the year end date, lockdown restrictions in the UK have been lifted and the vaccination programme has progressed well. The group is therefore able to plan to run a full programme of courses going forward and open its restaurant in the early summer of 2022. Although certain travel restrictions remain in place which adversely impacts the number of overseas students currently able to attend courses, student booking numbers are increasing and are reaching pre-COVID levels.

Based on current forecasts, the growth in cash balances in 2021, the growth in student applications for 2022 courses and alongside an undertaking of continued financial support received from the ultimate parent company, the directors are of the opinion that the group and company will be able to continue as a going concern for the foreseeable future, being a period of at least twelve months from the date of approving these financial statements. As such, they continue to adopt the going concern basis of accounting in preparing the annual financial statements of the group and parent company.



# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.4 Foreign currency translation

##### Functional and presentation currency

The group's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

#### 2.5 Revenue

Turnover comprises invoiced tuition fees and the value of merchandise and café sales net of value added tax and discounts. Fees are credited to profit or loss when the fees are earned, which in the case of tuition fees is when courses are delivered. Fees for services not provided in the financial year are credited to deferred income. Merchandise and café sales are recognised when the goods are transferred to the customer.

#### 2.6 Operating leases: the group as lessee

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

#### 2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in profit or loss in the same period as the related expenditure.

#### 2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.9 Finance costs

Finance costs are charged to profit or loss 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.

#### 2.10 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability. The assets of the plan are held separately from the group in independently administered funds.

#### 2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

#### 2.12 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.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.12 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold property improvements	- Evenly over the remaining term of the lease or the life of the improvement where lower
Kitchen equipment	- 10% per annum straight line
Office equipment	- 20% per annum straight line
Computer equipment	- 33% per annum straight line

#### 2.13 Valuation of investments

In the company's individual accounts, investments in subsidiaries and associates are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

#### 2.14 Stocks

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

#### 2.15 Financial instruments

With the exception of immaterial fixed asset investments the group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans to and from related parties.

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

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

#### 2.16 Debtors

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

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

#### 2.18 Creditors

Short term creditors are measured at the transaction price.

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

The group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and assumptions:

#### *Useful lives of tangible fixed assets (see note 13)*

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the group's accounting policy. The selection of these estimated lives requires the exercise of management judgement. Useful lives are regularly reviewed and should management's assessment of useful lives shorten then depreciation charges in the financial statements would increase and carrying amounts of property, plant and equipment would reduce accordingly.

#### *Deferred revenue*

Courses are paid for by the students upfront and included within deferred income. The balance is then released from deferred income into revenue when the student course takes place. There is a low degree of subjectivity in allocating revenue to the correct period and as a result there is limited estimation uncertainty.

Judgements:

In preparing these financial statements, the key judgement made by the directors has been the appropriateness of the going concern basis of preparation. Further information in this regard is provided in note 2.3.

### 4. Turnover

The whole of the turnover is attributable to one class of business.

All turnover arose within the United Kingdom.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 5. Other operating income

	2021 £	2020 £
Other operating income	38,950	35,696
Government grants - furlough income	108,284	367,139
	<u>147,234</u>	<u>402,835</u>

Other operating income comprises non-refundable deposits on cancelled courses and commission on internal sales to fellow group undertakings.

### 6. Grant and fee income

The sources of the group's grant and fee income are as follows:

	2021 £	2020 £
Grant income from the OfS	-	-
Grant income from other bodies	108,284	367,139
Fee income from courses	5,687,652	4,623,868
	<u>5,795,936</u>	<u>4,991,007</u>

### 7. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	774,806	572,650
Fees payable to the group's auditor for the audit of the group's annual accounts	29,000	28,000
Fees payable to the group's auditor for the audit of subsidiary	5,000	5,000
Fees payable to the group's auditor in respect of non-audit services	21,700	24,665
Exchange differences	3,721	8,184
Other operating lease rentals	837,323	732,208
Loss on disposal of tangible fixed assets	<u>1,843</u>	<u>-</u>

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 8. Employees

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	2,231,805	2,349,650	2,231,805	2,192,715
Social security costs	249,353	241,262	249,353	229,823
Cost of defined contribution scheme	67,077	64,813	67,077	61,181
	<u>2,548,235</u>	<u>2,655,725</u>	<u>2,548,235</u>	<u>2,483,719</u>

There are no employees with a full-time equivalent basic salary of over £100,000 per annum.

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
School operation	28	26	26	26
Restaurant operation	5	11	5	5
Academic	4	4	4	4
Marketing	12	16	15	15
Finance	13	12	11	11
	<u>62</u>	<u>69</u>	<u>61</u>	<u>61</u>

### 9. Directors' remuneration and senior staff pay

	2021 £	2020 £
Directors' emoluments	62,155	64,630
Social security costs	7,358	7,364
Company contributions to defined contribution pension schemes	1,865	1,950
	<u>71,378</u>	<u>73,944</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 9. Directors' remuneration and senior staff pay (continued)

	2021 £	2020 £
<b>Head of the provider</b>		
Salary	97,375	97,375
Pension contributions	2,921	2,921
<b>Total remuneration</b>	<b>100,296</b>	<b>100,296</b>

The remuneration package of the head of the provider is set by the board of directors with reference to commercial rates of pay within the group's sector.

The head of the provider's total remuneration is 3.35 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis.

### 10. Interest receivable and similar income

	2021 £	2020 £
Other interest receivable	1,515	7,627

### 11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	382	1,059
Loans from group undertakings	280,307	315,093
	<b>280,689</b>	<b>316,152</b>

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 12. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on losses for the year	-	(95,793)
Adjustments in respect of previous periods	(106,982)	(1)
<b>Total current tax</b>	<b>(106,982)</b>	<b>(95,794)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(218,911)	(313,388)
Changes to tax rates	(29,853)	11,613
Adjustment in respect of prior periods	108,525	-
<b>Total deferred tax</b>	<b>(140,239)</b>	<b>(301,775)</b>
<b>Taxation on loss on ordinary activities</b>	<b>(247,221)</b>	<b>(397,569)</b>

#### Factors affecting tax credit for the year

The tax assessed for the year varies from the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(1,551,551)	(2,096,784)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(294,795)	(398,389)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	542	487
Fixed asset differences	83,511	(28,584)
Other timing differences	-	21,920
Changes to tax rates	(56,296)	11,613
Recognition of losses brought forward	-	(4,615)
Adjustments to tax charge in respect of prior periods	1,543	(1)
Deferred tax not recognised	18,274	-
<b>Total tax credit for the year</b>	<b>(247,221)</b>	<b>(397,569)</b>



# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 12. Taxation (continued)

#### Factors that may affect future tax charges

A change in the main UK corporation tax rate, announced in the Budget on 3 March 2021, was substantively enacted on 24 May 2021 and received royal assent on 10 June 2021. From 1 April 2023 the main corporation tax rate will increase from 19% to 25% on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. Where the profits of UK group companies fall between £50,000 and £250,000, the lower and upper limits, they will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate. This will increase the group's future tax charge accordingly and deferred tax has been calculated at this new rate.

### 13. Tangible fixed assets

#### Group

	Leasehold property improvements £	Kitchen equipment £	Office equipment and motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2021	8,617,427	2,346,784	607,750	513,051	12,085,012
Additions	12,714	-	-	12,518	25,232
Disposals	-	(6,836)	-	(4,746)	(11,582)
At 31 December 2021	8,630,141	2,339,948	607,750	520,823	12,098,662
<b>Depreciation</b>					
At 1 January 2021	2,753,953	1,372,265	229,738	468,831	4,824,787
Charge for the year	436,259	227,760	86,764	24,023	774,806
Disposals	-	(4,993)	-	(1,712)	(6,705)
At 31 December 2021	3,190,212	1,595,032	316,502	491,142	5,592,888
<b>Net book value</b>					
At 31 December 2021	5,439,929	744,916	291,248	29,681	6,505,774
At 31 December 2020	5,863,474	974,519	378,012	44,220	7,260,225

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 13. Tangible fixed assets (continued)

#### Company

	Leasehold property improvements £	Kitchen equipment £	Office equipment and motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2021	7,409,879	1,647,095	277,588	501,859	9,836,421
Additions	-	-	-	12,518	12,518
Disposals	-	(6,836)	-	-	(6,836)
At 31 December 2021	7,409,879	1,640,259	277,588	514,377	9,842,103
<b>Depreciation</b>					
At 1 January 2021	2,733,783	1,360,578	218,708	468,207	4,781,276
Charge for the year	314,087	157,829	20,768	20,427	513,111
Disposals	-	(4,993)	-	-	(4,993)
At 31 December 2021	3,047,870	1,513,414	239,476	488,634	5,289,394
<b>Net book value</b>					
At 31 December 2021	4,362,009	126,845	38,112	25,743	4,552,709
At 31 December 2020	4,676,096	286,517	58,880	33,652	5,055,145

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 14. Fixed asset investments

#### Group

	Investments in associates £	Unlisted investments £	Total £
<b>Cost</b>			
At 1 January 2021	155,230	92	155,322
At 31 December 2021	155,230	92	155,322
<b>Share of retained profits</b>			
At 1 January 2021	29,176	-	29,176
Loss for the year	(143,613)	-	(143,613)
Currency translation differences	3,070	-	3,070
At 31 December 2021	(111,367)	-	(111,367)
<b>Net book value</b>			
At 31 December 2021	43,863	92	43,955
At 31 December 2020	184,406	92	184,498

#### Company

	Investments in subsidiaries £	Investments in associates £	Unlisted investments £	Total £
<b>Cost</b>				
At 1 January 2021	100	155,230	92	155,422
At 31 December 2021	100	155,230	92	155,422
<b>Net book value</b>				
At 31 December 2021	100	155,230	92	155,422
At 31 December 2020	100	155,230	92	155,422

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 14. Fixed asset investments (continued)

#### *Subsidiary undertakings*

The undertakings in which the company's interest at the year end is 20% or more are as follows:

Name	Registered office	Class of shares	Holding
Gastronomist Limited	15 Bloomsbury Square, London, United Kingdom	Ordinary	100%

#### *Associate undertakings*

Name	Registered office	Class of shares	Holding
LCB Shanghai Culinary Arts Academy	101, Gui Zhou Road, Huangpu District, Shanghai, China	Ordinary	49%

### 15. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Raw materials and consumables	<b>249,460</b>	265,802	<b>144,177</b>	142,659

Stock recognised as an expense during the year was £170,234 (2020 - £125,669).

### 16. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	<b>31,234</b>	183,756	<b>30,214</b>	183,756
Amounts owed by group undertakings	<b>72,145</b>	221,546	<b>3,072,894</b>	3,213,120
Other debtors	<b>370,906</b>	266,007	<b>228,406</b>	123,507
Prepayments and accrued income	<b>552,326</b>	349,989	<b>475,073</b>	335,734
Deferred taxation (see note 21)	<b>343,301</b>	203,062	-	-
	<b>1,369,912</b>	1,224,360	<b>3,806,587</b>	3,856,117

Included within other debtors is an amount of £142,500 (2020 - £142,500) which falls due for payment after more than one year.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 17. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	3,022,443	2,303,403	2,960,919	2,232,840
	<u>3,022,443</u>	<u>2,303,403</u>	<u>2,960,919</u>	<u>2,232,840</u>

### 18. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	1,298,811	1,286,291	1,009,144	1,176,603
Amounts owed to group undertakings	305,214	-	357,535	79,325
Loan from group undertaking	220,668	220,668	220,668	220,668
Other taxation and social security	527,379	571,142	535,225	559,028
Other creditors	255,790	225,269	255,789	225,269
Accruals and deferred income	487,619	315,602	262,324	226,977
	<u>3,095,481</u>	<u>2,618,972</u>	<u>2,640,685</u>	<u>2,487,870</u>

### 19. Creditors: amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Loan from group undertaking	5,240,825	5,240,825	5,240,825	5,240,825

The loan from the group undertaking attracts interest at a rate of LIBOR + 5% per annum and is repayable in quarterly instalments of £55,167. It is due to be fully repaid in 25 years from the date of drawdown.

### 20. Financial instruments

During the current and prior year neither the group or the company held financial assets or financial liabilities at fair value through profit or loss.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 21. Deferred taxation

#### Group

	2021 £
Deferred tax asset at beginning of year	203,062
Credited to profit or loss	140,239
<b>Deferred tax asset at end of year (see note 16)</b>	<b>343,301</b>

#### Company

	2021 £
Deferred tax liability at beginning of year	(2,940)
Credited to profit or loss	(31,497)
<b>Deferred tax liability at end of year</b>	<b>(34,437)</b>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(141,160)	(112,525)	(141,160)	(112,525)
Short term timing differences	-	2,604	-	2,604
Losses carried forward	484,461	312,983	106,723	106,981
	<b>343,301</b>	203,062	<b>(34,437)</b>	(2,940)

### 22. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
873,807 (2020 - 873,807) Ordinary shares of £1.00 each	<b>873,807</b>	873,807

The ordinary shares each carry one voting right and rank pari passu in respect of dividends and return of capital upon winding up.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 23. Reserves

The group's reserves are as follows:

#### Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

### 24. Analysis of net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	2,303,403	719,635	3,023,038
Debt due after 1 year	(5,240,825)	-	(5,240,825)
Debt due within 1 year	(220,668)	-	(220,668)
	<u>(3,158,090)</u>	<u>719,635</u>	<u>(2,438,455)</u>

### 25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £67,077 (2020 - £64,813). Contributions totalling £12,949 (2020 - £13,706) were payable to the fund at the reporting date.

# Le Cordon Bleu Limited

## Notes to the Financial Statements For the year ended 31 December 2021

### 26. Commitments under operating leases

At 31 December 2021 the group and the parent company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	1,080,069	664,183	688,194	664,183
Later than 1 year and not later than 5 years	3,999,652	4,081,732	2,752,777	2,656,732
Later than 5 years	11,207,450	12,146,519	6,380,409	6,821,978
	<u>16,287,171</u>	<u>16,892,434</u>	<u>9,821,380</u>	<u>10,142,893</u>

On 5 April 2011, the company entered into a twenty five year lease for land and buildings with annual commitments of £513,447, increasing in line with RPI each year. The minimum lease payments included above are based on rent payments made in the year; future RPI increases have not been forecast for the purposes of this disclosure.

### 27. Related party transactions

The group has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking within that group.

During the year, the parent company was charged rent of £675,069 (2020 - £664,183) by Provision Pacifico Limited, a company controlled by the ultimate controlling party. At the year end £277,540 (2020 - £531,751) was owed to Provision Pacifico Limited.

Key management personnel are considered to be the directors, whose remuneration is disclosed in note 9.

### 28. Controlling party

The ultimate parent undertaking of the smallest and largest group of which the company is a member is Le Cordon Bleu International BV, a company incorporated in the Netherlands.

The company is included in the consolidated financial statements of Le Cordon Bleu International BV and those accounts are available from Le Cordon Bleu International BV, Herengracht 28, 1015 BL Amsterdam, The Netherlands.

The ultimate controlling party is Stichting La Fondation André Cointreau, resident in The Netherlands.