

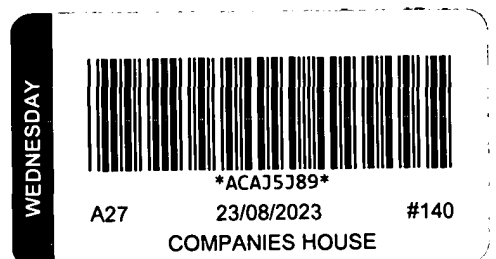
Le Cordon Bleu Limited

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 00408009



Le Cordon Bleu Limited

Company Information

Directors	A A M F Cointreau Le Cordon Bleu International BV
Registered number	00408009
Registered office	15 Bloomsbury Square London WC1A 2LS
Independent auditor	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 2022

Introduction

The directors present their strategic report for the group headed by Le Cordon Bleu Limited for the year ended 31 December 2022, 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), London (2017, Bachelor of Business Administration), Hôtel de la Marine (Culinary Arts Forum), Paris (2022) and Saudi Arabia (2022).

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. Following the successful delivery of the MSc in Culinary Innovation Management course, a further MSc in Hospitality Innovation Management has been developed with Birkbeck and will launch later this year.

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 in 2020 launched 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, acquired a lease at 85 Fleet Street to develop a high-end restaurant, café and courses for private individuals and corporates. The facility opened in June 2022. The facility will also enable students to gain some practical understanding of an operating hospitality business and this has been incorporated as part of some of the courses. The feedback from students has been very positive and will be a strong point of differentiation for our courses.

Le Cordon Bleu Limited

Group Strategic Report (continued) For the year ended 31 December 2022

Performance

The performance of the group has shown a strong recovery in the year as COVID-19 and travel restrictions were eased allowing teaching to take place throughout the year and international students easier access to the UK. Cash at bank has risen to £3,769k from £3,022k.

Financial key performance indicators

	2022 £'000	2021 £'000
Turnover from operations	11,067	6,915
Net result from continuing operations	(335)	(1,304)
EBITDA*	736	(353)

*EBITDA has been calculated by adjusting loss before tax of £312k (2021: £1,552k) for depreciation of £676k (2021: £775k), net interest expense of £326k (2021: £280k) and share of loss in associated undertaking of £46k (2021: £144k).

Turnover has increased by 60.1% compared with prior year which has resulted in significantly improved results. Group EBITDA profit for 2022 was £736k compared with a group EBITDA loss of £353k in 2021. The prior year was significantly affected by the UK Government imposed national lockdown and international travel restrictions.

Despite the improvement in top line performance, a net loss was still generated in the year. The net loss reflects the impact of opening the new restaurant facility with pre-opening expenses and the building up of trade.

The loss has adversely impacted the group's balance sheet. However, the group still has net current assets of £2,317k (2021 - £1,546k) and a cash balance of £3,769k (2021 - £3,022k) and remains well placed to move forward now that COVID-19 restrictions have been lifted.

Statement of corporate governance and internal control

This statement of corporate governance and internal control covers the period of the financial statements and to the date of the approval of the audited financial statements. 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. The company has developed a Quality Manual which is provided to all staff setting out key areas such as:

- Setting and maintaining academic standards
- Quality assurance cycle
- Governance
- Terms of reference for Boards and committees such as the Academic Board, Examination Board and the Executive Committee.

The Boards and Committees and control processes include external members or reviewers and provide the company with assurance on, amongst other things, the effectiveness of its systems, internal controls, academic oversight both for the development of new programmes and student progression. These Boards and Committees provide feedback to the board of directors and allow concerns and issues to be addressed effectively. All staff have access to the Quality Manual and the process to raise issues with the relevant Board or Committee.

Le Cordon Bleu Limited

Group Strategic Report (continued) For the year ended 31 December 2022

Statement of corporate governance and internal control (continued)

The Academic Board is the main board responsible for ensuring compliance with the Office for Students ongoing conditions of registration. The Academic Board meets at least four times a year with extraordinary meetings as required and reports back to the board of directors. The Executive Committee will normally meet on a 2 weekly basis and is a forum for reporting and communicating between all departments as well as identifying areas of improvement. The Examination Board will meet at least once a term. The board of directors feel that the system of reporting is appropriate for the size and complexity of the business allowing it to identify risk areas, ensure internal controls are in place and to ensure academic standards are maintained and checked. Those risks and related controls are summarised in the principal risks and uncertainties section of this strategic report.

The board of directors do not consider that the size and complexity of the group warrants the establishment of an internal audit function. However, the board of directors do consider 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.

Principal risks and uncertainties

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 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 macro-economic and world events, and the group continues to take steps to mitigate costs and cash outflows during this period of economic uncertainty.

Le Cordon Bleu Limited

Group Strategic Report (continued) For the year ended 31 December 2022

Principal risks and uncertainties (continued)

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 26 May 2023

and signed on its behalf.


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

Le Cordon Bleu Limited

Directors' Report For the year ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

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 opened 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 4 of these financial statements.

Results and dividends

The loss for the year, after taxation, amounted to £335,474 (2021 - £1,304,330).

The directors do not recommend the payment of a dividend (2021 - £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

Going concern

With lockdown restrictions in the UK now lifted the group is able to plan to run a full programme of courses going forward and develop its restaurant operation. Student booking numbers are increasing and are at pre-COVID levels and the restaurant is steadily building up trade.

Based on current forecasts, the growth in cash balances in 2022, the growth in student applications for 2023 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'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's auditor is aware of that information.

Le Cordon Bleu Limited


Directors' Report (continued) For the year ended 31 December 2022

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 26 May 2023

and signed on its behalf.



A A M F Cointreau
Director E.S



E Minev
Accountable Officer

Le Cordon Bleu Limited

Directors' Responsibilities Statement For the year ended 31 December 2022

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

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 2022 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 2022 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 the 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 or 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)

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 the 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 the 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.

Le Cordon Bleu Limited

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

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

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

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 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 the year and evaluating whether there was evidence of bias in accounting estimates that represented a risk of material misstatement due to fraud.

Le Cordon Bleu Limited

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

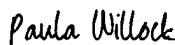
Auditor's responsibilities for the audit of the financial statements (continued)

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:

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Paula Willock (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

Date: 26 May 2023

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 2022

	Note	2022 £	2021 £
Turnover	4	11,067,282	6,914,584
Gross profit		11,067,282	6,914,584
Administrative expenses		(11,032,513)	(8,190,582)
Other operating income	5	24,750	147,234
Operating profit/(loss)	7	59,519	(1,128,764)
Share of loss in associated undertakings		(45,673)	(143,613)
Interest receivable and similar income	10	14,971	1,515
Interest payable and similar expenses	11	(340,862)	(280,689)
Loss before taxation		(312,045)	(1,551,551)
Tax on loss	12	(23,429)	247,221
Loss for the financial year		(335,474)	(1,304,330)
Currency translation differences		1,810	3,070
Other comprehensive income for the year		1,810	3,070
Total comprehensive income for the year		(333,664)	(1,301,260)
Loss for the year attributable to:			
Owners of the parent company		(335,474)	(1,304,330)

All amounts relate to continuing operations.

The notes on pages 19 to 36 form part of these financial statements.

Le Cordon Bleu Limited
Registered number:00408009

Consolidated Statement of Financial Position
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	6,005,048	6,505,774
Investments	14	92	43,955
		<u>6,005,140</u>	<u>6,549,729</u>
Current assets			
Stocks	15	250,279	249,460
Debtors: amounts falling due within one year	16	1,215,386	1,369,912
Cash at bank and in hand	17	3,769,449	3,022,443
		<u>5,235,114</u>	<u>4,641,815</u>
Creditors: amounts falling due within one year	18	(2,918,239)	(3,095,481)
Net current assets		<u>2,316,875</u>	<u>1,546,334</u>
Total assets less current liabilities		<u>8,322,015</u>	<u>8,096,063</u>
Creditors: amounts falling due after more than one year	19	(5,240,825)	(5,240,825)
Deferred income		(6,053,912)	(5,494,296)
Net liabilities		<u>(2,972,722)</u>	<u>(2,639,058)</u>
Capital and reserves			
Called up share capital	22	873,807	873,807
Share premium account	23	1,109,621	1,109,621
Profit and loss account	23	(4,956,150)	(4,622,486)
Total equity		<u>(2,972,722)</u>	<u>(2,639,058)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 May 2023


E.S.
A A M F Cointreau
Director


E Minev
Accountable Officer

The notes on pages 19 to 36 form part of these financial statements.

Le Cordon Bleu Limited

Registered number:00408009

Company Statement of Financial Position As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	4,215,215	4,552,709
Investments	14	155,422	155,422
		<u>4,370,637</u>	<u>4,708,131</u>
Current assets			
Stocks	15	111,381	144,177
Debtors: amounts falling due within one year	16	4,875,078	3,806,587
Cash at bank and in hand	17	3,695,369	2,960,919
		<u>8,681,828</u>	<u>6,911,683</u>
Creditors: amounts falling due within one year	18	(2,418,454)	(2,640,685)
Net current assets		<u>6,263,374</u>	<u>4,270,998</u>
Total assets less current liabilities		<u>10,634,011</u>	<u>8,979,129</u>
Creditors: amounts falling due after more than one year	19	(5,240,825)	(5,240,825)
Provisions for liabilities			
Deferred taxation	21	(57,866)	(34,437)
Deferred income		(6,053,912)	(5,494,296)
Net liabilities		<u>(718,592)</u>	<u>(1,790,429)</u>
Capital and reserves			
Called up share capital	22	873,807	873,807
Share premium account	23	1,109,621	1,109,621
Profit and loss account	23	(2,702,020)	(3,773,857)
Total equity		<u>(718,592)</u>	<u>(1,790,429)</u>


Le Cordon Bleu Limited

Registered number:00408009

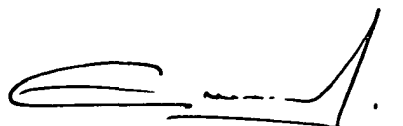
Company Statement of Financial Position (continued) As at 31 December 2022

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 profit after tax of the company was £1,071,837 (2021 - loss £784,688).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 May 2023



A A M F Gointreau
Director



E Minev
Accountable officer

The notes on pages 19 to 36 form part of these financial statements.

Le Cordon Bleu Limited

Consolidated Statement of Changes in Equity For the year ended 31 December 2022

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2022	873,807	1,109,621	(4,622,486)	(2,639,058)
Comprehensive income for the year				
Loss for the year	-	-	(335,474)	(335,474)
Currency translation differences	-	-	1,810	1,810
Total comprehensive income for the year	-	-	(333,664)	(333,664)
At 31 December 2022	873,807	1,109,621	(4,956,150)	(2,972,722)

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)
Comprehensive income for the year				
Loss for the year	-	-	(1,304,330)	(1,304,330)
Currency translation differences	-	-	3,070	3,070
Total comprehensive income for the year	-	-	(1,301,260)	(1,301,260)
At 31 December 2021	873,807	1,109,621	(4,622,486)	(2,639,058)

The notes on pages 19 to 36 form part of these financial statements.

Le Cordon Bleu Limited

Company Statement of Changes in Equity For the year ended 31 December 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2022	873,807	1,109,621	(3,773,857)	(1,790,429)
Comprehensive income for the year				
Profit for the year	-	-	1,071,837	1,071,837
Total comprehensive income for the year	-	-	1,071,837	1,071,837
At 31 December 2022	873,807	1,109,621	(2,702,020)	(718,592)

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)
Comprehensive income for the year				
Loss for the year	-	-	(784,688)	(784,688)
Total comprehensive income for the year	-	-	(784,688)	(784,688)
At 31 December 2021	873,807	1,109,621	(3,773,857)	(1,790,429)

The notes on pages 19 to 36 form part of these financial statements.

Le Cordon Bleu Limited

Consolidated Statement of Cash Flows For the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(335,474)	(1,304,330)
Adjustments for:		
Depreciation of tangible assets	676,733	774,806
Loss on disposal of tangible assets	-	1,843
Interest payable and similar expenses	340,862	280,689
Interest receivable and similar expenses	(14,971)	(1,515)
Taxation charge/(credit)	23,429	(247,221)
(Increase)/decrease in stocks	(819)	16,342
(Increase)/decrease in debtors	(71,683)	101,669
Increase in creditors	382,282	1,254,516
Share of loss in associated undertakings	43,863	143,613
Corporation tax received	204,682	-
Net cash generated from operating activities	1,248,904	1,020,412
Cash flows from investing activities		
Purchase of tangible fixed assets	(176,007)	(25,232)
Sale of tangible fixed assets	-	3,034
Interest received	14,971	1,515
Net cash from investing activities	(161,036)	(20,683)
Cash flows from financing activities		
Interest paid	(340,862)	(280,689)
Net cash used in financing activities	(340,862)	(280,689)
Net increase in cash and cash equivalents	747,006	719,040
Cash and cash equivalents at beginning of year	3,022,443	2,303,403
Cash and cash equivalents at the end of year	3,769,449	3,022,443
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,769,449	3,022,443

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

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 management to exercise judgement in applying the group's accounting policies (see note 3).

The presentational currency of these financial statements is GBP, which is also the functional currency of the parent company. 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 2022

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.

2.3 Going concern

With lockdown restrictions in the UK now lifted the group is able to plan to run a full programme of courses going forward and develop its restaurant operation. Student booking numbers are increasing and are at pre COVID levels and the restaurant is steadily building up its trade.

Based on current forecasts, the growth in cash balances in 2022, the growth in student applications for 2023 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.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

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.

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, café and restaurant 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, café and restaurant 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.

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.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

2. Accounting policies (continued)

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.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

2. Accounting policies (continued)

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.

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

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 the Consolidated Statement of Comprehensive Income.

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 2022

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.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

4. Turnover

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

	2022 £	2021 £
Culinary and management course sales and related income	10,250,783	6,743,526
Restaurant operations and related services	816,499	171,058
	<u>11,067,282</u>	<u>6,914,584</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	2021 £
Other operating income	24,750	38,950
Government grants - furlough income	-	108,284
	<u>24,750</u>	<u>147,234</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:

	2022 £	2021 £
Grant income from the OfS	-	-
Grant income from other bodies	-	108,284
Fee income from courses	8,306,481	5,687,652
	<u>8,306,481</u>	<u>5,795,936</u>
Total grant and fee income	8,306,481	5,795,936

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

7. Operating profit/(loss)

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

	2022 £	2021 £
Depreciation of tangible fixed assets	676,733	774,806
Fees payable to the group's auditor for the audit of the group's annual accounts	38,280	29,000
Fees payable to the group's auditor for the audit of subsidiary	15,500	5,000
Fees payable to the group's auditor in respect of non-audit services	19,174	21,700
Exchange differences	6,070	3,721
Operating lease rentals	1,010,850	837,323
Loss on disposal of tangible fixed assets	-	1,843
	<u>676,733</u>	<u>774,806</u>

8. Employees

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	2,912,117	2,231,805	2,343,529	2,231,805
Social security costs	323,671	249,353	267,574	249,353
Cost of defined contribution scheme	73,534	67,077	61,416	67,077
	<u>3,309,322</u>	<u>2,548,235</u>	<u>2,672,519</u>	<u>2,548,235</u>

There is 1 employee (2021: Nil) 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 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
School operation	28	28	28	26
Restaurant operation	24	5	5	5
Academic	4	4	4	4
Marketing	13	12	12	15
Finance	14	13	13	11
	<u>83</u>	<u>62</u>	<u>62</u>	<u>61</u>

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

9. Directors' remuneration and senior staff pay

	2022 £	2021 £
Directors' emoluments	64,019	62,155
Group contributions to defined contribution pension schemes	1,921	1,865
	<u>65,940</u>	<u>64,020</u>

During the year retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

Total remuneration paid to Key Management Personnel during the year is £290,014 (2021 - £264,209)

	2022 £	2021 £
Head of the provider		
Salary	118,176	97,375
Pension contributions	3,009	2,921
Total remuneration	<u>121,185</u>	<u>100,296</u>

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 group operates within the independent higher education sector. The remuneration has external review to ensure it is consistent with the industry rates and reflects the performance of the company. The board of directors feel that the overall remuneration is justified given the financial performance of the company as it comes out of the post Covid period.

The head of the provider's total remuneration is 4.59 times (2021 - 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

	2022 £	2021 £
Other interest receivable	<u>14,971</u>	<u>1,515</u>

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	-	382
Loans from group undertakings	340,862	280,307
	<u>340,862</u>	<u>280,689</u>

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

12. Taxation

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	-	(106,982)
Total current tax	-	(106,982)
Deferred tax		
Origination and reversal of timing differences	17,919	(218,911)
Changes to tax rates	5,659	(29,853)
Adjustment in respect of prior periods	(149)	108,525
Total deferred tax	23,429	(140,239)
Taxation on loss on ordinary activities	23,429	(247,221)

Factors affecting tax charge/(credit) for the year

The tax assessed for the year varies from the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(312,045)	(1,551,551)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(59,289)	(294,795)
Effects of:		
Expenses not deductible for tax purposes	985	542
Fixed asset differences	(4,222)	83,511
Changes to tax rates	5,659	(56,296)
Adjustments to tax charge in respect of prior periods	(149)	1,543
Deferred tax not recognised	80,445	18,274
Total tax charge/(credit) for the year	23,429	(247,221)

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

13. Tangible fixed assets

Group

	Leasehold property improvements £	Kitchen equipment £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 January 2022	8,630,141	2,339,948	607,750	520,823	12,098,662
Additions	20,521	37,670	73,597	44,219	176,007
At 31 December 2022	<u>8,650,662</u>	<u>2,377,618</u>	<u>681,347</u>	<u>565,042</u>	<u>12,274,669</u>
Depreciation					
At 1 January 2022	3,190,212	1,595,032	316,502	491,142	5,592,888
Charge for the year	436,125	123,282	92,608	24,718	676,733
At 31 December 2022	<u>3,626,337</u>	<u>1,718,314</u>	<u>409,110</u>	<u>515,860</u>	<u>6,269,621</u>
Net book value					
At 31 December 2022	<u>5,024,325</u>	<u>659,304</u>	<u>272,237</u>	<u>49,182</u>	<u>6,005,048</u>
At 31 December 2021	<u>5,439,929</u>	<u>744,916</u>	<u>291,248</u>	<u>29,681</u>	<u>6,505,774</u>

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

13. Tangible fixed assets (continued)

Company

	Leasehold property improvements £	Kitchen equipment £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 January 2022	7,409,879	1,640,259	277,588	514,377	9,842,103
Additions	-	20,905	38,195	10,950	70,050
At 31 December 2022	<u>7,409,879</u>	<u>1,661,164</u>	<u>315,783</u>	<u>525,327</u>	<u>9,912,153</u>
Depreciation					
At 1 January 2022	3,047,870	1,513,414	239,476	488,634	5,289,394
Charge for the year	313,253	52,517	24,793	16,981	407,544
At 31 December 2022	<u>3,361,123</u>	<u>1,565,931</u>	<u>264,269</u>	<u>505,615</u>	<u>5,696,938</u>
Net book value					
At 31 December 2022	<u>4,048,756</u>	<u>95,233</u>	<u>51,514</u>	<u>19,712</u>	<u>4,215,215</u>
At 31 December 2021	<u>4,362,009</u>	<u>126,845</u>	<u>38,112</u>	<u>25,743</u>	<u>4,552,709</u>

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

14. Fixed asset investments

Group

	Investments in associates £	Unlisted investments £	Total £
Cost			
At 1 January 2022	155,230	92	155,322
At 31 December 2022	155,230	92	155,322
Share of retained profits			
At 1 January 2022	(111,367)	-	(111,367)
Loss for the year	(43,863)	-	(43,863)
At 31 December 2022	(155,230)	-	(155,230)
Net book value			
At 31 December 2022	-	92	92
At 31 December 2021	43,863	92	43,955

The group has not recognised a further share of losses of £286,172 of the associate beyond the £155,230 included above on the basis that it does not have any legal or constructive obligations to make payments on behalf of the associate.

Company

	Investments in subsidiaries £	Investments in associates £	Unlisted investments £	Total £
Cost				
At 1 January 2022	100	155,230	92	155,422
At 31 December 2022	100	155,230	92	155,422
Net book value				
At 31 December 2022	100	155,230	92	155,422
At 31 December 2021	100	155,230	92	155,422

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

14. Fixed asset investments (continued)

Subsidiary undertaking

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 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Raw materials and consumables	<u>250,279</u>	<u>249,460</u>	<u>111,381</u>	<u>144,177</u>

16. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	1,731	31,234	370	30,214
Amounts owed by group undertakings	65,115	72,145	4,314,051	3,072,894
Other debtors	143,159	370,906	659	228,406
Prepayments and accrued income	685,509	552,326	559,998	475,073
Deferred taxation (see note 21)	319,872	343,301	-	-
	<u>1,215,386</u>	<u>1,369,912</u>	<u>4,875,078</u>	<u>3,806,587</u>

Included within other debtors is an amount of £142,500 (2021 - £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 2022

17. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>3,769,449</u>	<u>3,022,443</u>	<u>3,695,369</u>	<u>2,960,919</u>

18. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	860,984	1,298,811	637,246	1,009,144
Amounts owed to group undertakings	528,065	305,214	528,065	357,535
Loan from group undertaking	220,668	220,668	220,668	220,668
Corporation tax	1,902	-	1,902	-
Other taxation and social security	564,819	527,379	524,495	535,225
Other creditors	303,531	255,790	284,615	255,789
Accruals and deferred income	438,270	487,619	221,463	262,324
	<u>2,918,239</u>	<u>3,095,481</u>	<u>2,418,454</u>	<u>2,640,685</u>

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Loan from group undertaking	<u>5,240,825</u>	<u>5,240,825</u>	<u>5,240,825</u>	<u>5,240,825</u>

The loan from the group undertaking attracts interest at a rate of SONIA +5% per annum and is repayable in quarterly installments of £55,167. It is due to be fully repaid in 25 years from the date of drawdown, which falls due more than 5 years after 31 December 2022.

20. Financial instruments

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

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

21. Deferred taxation

Group

	2022 £
Deferred tax asset at beginning of year	343,301
Charged to profit or loss	(23,429)
Deferred tax asset at end of year (see note 16)	319,872

Company

	2022 £
Deferred tax liability at beginning of year	(34,437)
Charged to profit or loss	(23,429)
Deferred tax liability at end of year	(57,866)

The deferred tax asset/(liability) is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(67,507)	(141,160)	(67,507)	(141,160)
Short term timing differences	9,641	-	9,641	-
Losses carried forward	377,738	484,461	-	106,723
	319,872	343,301	(57,866)	(34,437)

22. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
873,807 (2021 - 873,807) Ordinary shares of £1 each	873,807	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 2022

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 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,022,443	747,006	3,769,449
Debt due after 1 year	(5,240,825)	-	(5,240,825)
Debt due within 1 year	(220,668)	-	(220,668)
	<u>(2,439,050)</u>	<u>747,006</u>	<u>(1,692,044)</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 £73,534 (2021 - £67,077). Contributions totalling £17,070 (2021 - £12,929) were payable to the fund at the reporting date.

Le Cordon Bleu Limited

Notes to the Financial Statements For the year ended 31 December 2022

26. Commitments under operating leases

At 31 December 2022 the group and the parent company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	1,172,161	1,080,069	792,161	688,194
Later than 1 year and not later than 5 years	4,356,144	3,999,652	3,168,644	2,752,777
Later than 5 years	10,897,289	11,207,450	6,337,289	6,380,409
	<u>16,425,594</u>	<u>16,287,171</u>	<u>10,298,094</u>	<u>9,821,380</u>

Included within group commitments above is £95,500 falling due within one year and £47,500 falling due in one to 5 years which has been accrued in the Consolidated Statement of Financial Position at 31 December 2022.

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 other wholly owned subsidiary undertaking within that group.

During the year, the parent company was charged rent of £715,215 (2021 - £675,069) by Provision Pacifico Limited, a company controlled by the ultimate controlling party. At the year end £Nil (2021 - £277,540) was owed to Provision Pacifico Limited.

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.