

Company Registration No. 04936110 (England and Wales)

PEPPERMINT EVENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

PEPPERMINT EVENTS LIMITED

COMPANY INFORMATION

Directors A Hempenstall
A Brooke
J Reid (Appointed 7 January 2020)

Company number 04936110

Registered office Lower Ground
04 Edinburgh House
154 - 182 Kennington Lane
London
SE11 5DP

Auditor Lindeyer Francis Ferguson Limited
North House
198 High Street
Tonbridge
Kent
TN9 1BE

Business address Lower Ground
04 Edinburgh House
154 - 182 Kennington Lane
London
SE11 5DP

PEPPERMINT EVENTS LIMITED

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PEPPERMINT EVENTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 29 FEBRUARY 2020

The directors present the strategic report for the year ended 29 February 2020.

Review of the business

An event services business, primarily servicing UK Music Festivals with Food and Beverage services including: public bars, food, marketing and consultancy services.

Business structure

The share capital of Peppermint Events Limited is 100% owned by Adam Hempenstall and Alex Brooke.

Aims and objectives

The Company's ultimate objective is to grow profits and cash flows via a strategy centred on a 7 Stage Plan – focussing on margin improvement, reduction of risk, growth into complementary sectors of the market and improving margin from incumbent / contracted events. The business has targeted a number of growth sectors and actively seeks strategic partners for the 12-24 month period ahead.

Performance

The Company achieved sales of £19.7m for the year ending 29 February 2020 (2019: £21.6m for the 10 months to 28 February 2019) and improved its overall gross margin by 0.9% to 10.2%. The business has widely adopted the 7 Stage plan on an ongoing basis and continues to focus on margin improvement, reducing risk and stabilising overall overheads.

Principal risks and uncertainties

Competition

The Company's competitors can be broken down into a number of sectors:

- *Bar Operators* – who challenge the business, normally at commercial level – e.g the strength/structure of the commercial deal/price
- *Marketing Agencies* – Who compete with Equals, our special marketing services part of the business
- *Event Caterers* – who are small operators able to compete with less overhead but have little scale

Legal and regulatory environment

The Company acknowledges that it operates in an environment that has both a developing and increasing regulatory agenda, in the areas of health and safety, quality control, environmental obligations and employee welfare. The Company seeks to ensure that it works in an appropriate manner with the relevant regulatory bodies, obtains recognised accreditations and encourages a proactive approach to changes in the legal environment. In addition, anti-bribery and money laundering policies are regularly reviewed and relevant employees provided the training required to implement them.

Risk/uncertainty

The Company uses a consistent documented approach in its treatment of risk, ensuring appropriate mitigation over legal, regulatory and financial exposures. Regular management review and strategic exercises seek to identify those areas of risk and uncertainty that need to be addressed and put in place appropriate actions to moderate them.

PEPPERMINT EVENTS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

Measurement

The Company has a well-established performance measurement system that focuses the business on the key levers of sales volume and margin growth, together with cost control through rigorous monthly departmental budgeting. Detailed financial information can be found on pages 7 to 22 of these financial statements. A detailed annual planning process ensures that targets relating to business growth and development are set in conjunction with the Company's long term strategy.

Financial risk management

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The main exposure to credit risk in the Company is represented by receivables owing to the Company. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of those assets, net of any provisions, as disclosed in the Balance Sheet and notes to the financial statements (see note 14).

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by maximising cash generation by its operations and ensuring adequate borrowing facilities are maintained.

Covid-19

The covid-19 pandemic put the whole industry into unprecedented times. Management recognised the requirement of a readily available funding facility and effective cost cutting exercise to mitigate uncertainties that may cause concern around Peppermint Events as a going concern as detailed in note 1.2.

Employees

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Employee involvement

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests. All employees are communicated on the performance of the Company as a whole at appropriate times throughout the year, with additional communications occurring through in-house emails and meetings.

On behalf of the board

A Hempenstall
Director
4 August 2020

PEPPERMINT EVENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 29 FEBRUARY 2020

The directors present their annual report and financial statements for the year ended 29 February 2020.

Principal activities

The principal activity of the company continued to be that of the operation of corporate events and temporary licensed bars.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Hempenstall	
A Brooke	
J Reid	(Appointed 7 January 2020)
Mr RA Evans	(Appointed 21 August 2019 and resigned 14 October 2019)
Mr P McMahan	(Appointed 21 August 2019 and resigned 14 October 2019)
Mr A Pozzi	(Resigned 21 August 2019)
Mr EJ Robertson	(Resigned 14 October 2019)
Mr J Solesbury	(Resigned 21 August 2019)

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £54,000 (2019: £Nil). The directors do not recommend payment of a further dividend.

Auditor

Lindeyer Francis Ferguson Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

PEPPERMINT EVENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

A Hempenstall
Director

4 August 2020

PEPPERMINT EVENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEPPERMINT EVENTS LIMITED

Opinion

We have audited the financial statements of Peppermint Events Limited (the 'company') for the year ended 29 February 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2020 and of its profit 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.

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to note 1.2 of the financial statements, which describes the company's ability to continue as a going concern. The events and conditions as described in note 1.2 indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

PEPPERMINT EVENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PEPPERMINT EVENTS LIMITED

Matters on which we are required to report by exception

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

Jonathan Healey FCA (Senior Statutory Auditor)
for and on behalf of Lindeyer Francis Ferguson Limited

4 August 2020

Chartered Accountants
Statutory Auditor

North House
198 High Street
Tonbridge
Kent
TN9 1BE

PEPPERMINT EVENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Notes	Year ended 29 February 2020 £	Period ended 28 February 2019 £
Turnover		19,683,393	21,648,833
Cost of sales		(17,678,121)	(19,643,371)
Gross profit		2,005,272	2,005,462
Administrative expenses		(2,406,628)	(2,216,236)
Operating loss	3	(401,356)	(210,774)
Interest payable and similar expenses		(2,113)	(7,045)
Amounts written back to financial liabilities	7	3,466,700	-
Profit/(loss) before taxation		3,063,231	(217,819)
Tax on profit/(loss)	6	67,213	-
Profit/(loss) for the financial year		3,130,444	(217,819)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

PEPPERMINT EVENTS LIMITED

BALANCE SHEET

AS AT 29 FEBRUARY 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	9		52,413		90,785
Tangible assets	10		689,483		967,059
Investments	11		100		-
			<u>741,996</u>		<u>1,057,844</u>
Current assets					
Stocks	13	327,693		374,449	
Debtors	14	715,642		1,283,924	
Cash at bank and in hand		403,742		980,543	
		<u>1,447,077</u>		<u>2,638,916</u>	
Creditors: amounts falling due within one year	15	(745,933)		(5,521,503)	
Net current assets/(liabilities)			<u>701,144</u>		<u>(2,882,587)</u>
Total assets less current liabilities			<u>1,443,140</u>		<u>(1,824,743)</u>
Creditors: amounts falling due after more than one year	16		(204,823)		(13,384)
Net assets/(liabilities)			<u><u>1,238,317</u></u>		<u><u>(1,838,127)</u></u>
Capital and reserves					
Called up share capital	18		900		900
Capital redemption reserve			100		100
Profit and loss reserves			1,237,317		(1,839,127)
Total equity			<u><u>1,238,317</u></u>		<u><u>(1,838,127)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 4 August 2020 and are signed on its behalf by:

A Hempenstall
Director

Company Registration No. 04936110

PEPPERMINT EVENTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 30 April 2018	900	100	(1,621,308)	(1,620,308)
Period ended 28 February 2019:				
Loss and total comprehensive income for the period	-	-	(217,819)	(217,819)
Balance at 28 February 2019	900	100	(1,839,127)	(1,838,127)
Period ended 29 February 2020:				
Profit and total comprehensive income for the period	-	-	3,130,444	3,130,444
Dividends	8	-	(54,000)	(54,000)
Balance at 29 February 2020	900	100	1,237,317	1,238,317

PEPPERMINT EVENTS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21				
		(3,759,408)		1,413,843	
Interest paid		(2,113)		(7,045)	
		<u> </u>		<u> </u>	
Net cash (outflow)/inflow from operating activities		(3,761,521)		1,406,798	
Investing activities					
Purchase of intangible assets		(7,297)		(110,670)	
Purchase of tangible fixed assets		(167,531)		(398,663)	
Proceeds on disposal of tangible fixed assets		-		14,000	
Proceeds on disposal of subsidiaries		(100)		-	
Proceeds on disposal of fixed asset investments		(39,408)		-	
		<u> </u>		<u> </u>	
Net cash used in investing activities		(214,336)		(495,333)	
Financing activities					
Repayment of borrowings		3,506,108		-	
Repayment of bank loans		(10,922)		(15,604)	
Payment of finance leases obligations		(42,130)		(97,874)	
Dividends paid		(54,000)		-	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) financing activities		3,399,056		(113,478)	
Net (decrease)/increase in cash and cash equivalents		(576,801)		797,987	
Cash and cash equivalents at beginning of year		980,543		182,556	
		<u> </u>		<u> </u>	
Cash and cash equivalents at end of year		403,742		980,543	
		<u> </u>		<u> </u>	

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

Company information

Peppermint Events Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lower Ground, 04 Edinburgh House, 154 - 182 Kennington Lane, London, SE11 5DP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 29 February 2020 are the first financial statements of Peppermint Events Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition from FRS101 to FRS 102 was 1 March 2019. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

During the year ended 29 February 2020, the company suffered an operating loss, before the intercompany loan write off of £416,736 (2019; £210,774). Based on budgets and forecasts, the company initially expected to turn a profit for the year ended 28 February 2021. However, on 23 March 2020, the UK was placed into lockdown following the outbreak of COVID-19. This has led to a number of large events across the summer events period being cancelled or postponed. As a company in the events industry, this is expected to severely impact income for the year ended 28 February 2021.

The directors recognise that the company's position at the year-end may indicate the existence of a material uncertainty over its going concern status. However, following the cancellation of a number of events, the directors have carried out a cost cutting exercise and have also taken advantage of the government schemes available to help the company through this period of uncertainty. This has led to a substantial reduction in expected costs for the year ended 28 February 2021.

To aid cashflow, an overdraft facility of £400,000 has been secured by the directors. In addition, extended credit terms have been negotiated with a number of key suppliers. On this basis, the directors have prepared detailed forecasts, setting out the worst-case scenario and the steps taken are considered sufficient to be able to meet expected costs for the coming period.

Furthermore at the time of writing Peppermint have successfully won a number of contracts, mostly around Covid-compliant "Drive-in" events up and down the UK. As the UK starts to come out of lockdown there are signs that the number of these event will grow in the 'new normal' and opportunities continue to present themselves for the remainder of the summer and leading into Autumn and Winter.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

Going concern continued

For these reasons, the directors are confident that the company will remain in operation for the foreseeable future, and therefore consider it appropriate to continue to adopt the going concern basis of accounting. There are no other significant issues causing the directors to believe that the going concern assumption is not appropriate for Peppermint Events Limited.

1.3 Reporting period

The company's accounting period was shortened from April to February 2019 in the prior period and so the comparatives figures reflect a 10 months period rather than a year.

1.4 Turnover

Turnover represents amounts receivable for the operation of temporary licensed bars, ATM transactions, sponsorship, and management charges in the UK, all net of VAT and trade discounts.

1.5 Intangible fixed assets other than goodwill

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	3 Years
Bespoke software	3 Years

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	3-5 years
Bar equipment	3-5 years
Misc. equipment	3-5 years
Motor vehicles	3 years
Office equipment	3 years
ATMs	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell., after making due allowance for obsolete and slow moving stock.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Non-current assets

Estimates are made by the directors in determining depreciation and amortisation rates for tangible and intangible non-current assets.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

3 Operating loss

	2020	2019
	£	£
Operating loss for the period is stated after charging:		
Auditor's remuneration (2019 fee borne by Matthew Clark Bibendum Ltd)	7,500	23,000
Depreciation of owned tangible fixed assets	438,965	318,331
Loss on disposal of tangible fixed assets	6,142	7,850
Amortisation of intangible assets	45,669	35,503
Operating lease charges	110,148	77,577
	<u>1,708,432</u>	<u>1,852,564</u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Operational staff	49	80
Administration staff	11	11
	<u>60</u>	<u>91</u>

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	1,659,142	2,242,626
Social security costs	161,169	212,200
Pension costs	70,532	34,412
	<u>1,890,843</u>	<u>2,489,238</u>

5 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	150,841	158,333
Social security costs	17,618	30,023
Company pension contributions to defined contribution schemes	4,657	3,958
	<u>173,116</u>	<u>192,314</u>

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

6 Taxation

	2020	2019
	£	£
Current tax		
Adjustments in respect of prior periods	(67,213)	-
	<u> </u>	<u> </u>

The actual (credit)/charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2020	2019
	£	£
Profit/(loss) before taxation	3,063,231	(217,819)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	582,014	(41,386)
Tax effect of income not taxable in determining taxable profit	(666,161)	-
Permanent capital allowances in excess of depreciation	35,814	-
Research and development tax credit	(67,213)	-
Transfer pricing adjustments	-	(8,909)
Expenses not deductible for tax purposes	2,748	15,644
Unrecognised losses carried forward	45,585	34,651
	<u> </u>	<u> </u>
Taxation credit for the period	(67,213)	-
	<u> </u>	<u> </u>

The company has taxable losses totalling £2,295,799 (2019: £2,053,722) to utilise against future profits.

7 Amounts written back to financial liabilities

	2020	2019
	£	£
Amounts written back to financial liabilities	3,506,108	-
Expenses relating to the above transaction	(39,408)	-
	<u> </u>	<u> </u>
	3,466,700	-
	<u> </u>	<u> </u>

As part of the management buyout, as disclosed in note 20, an amount due to Matthew Clark Bibendum Limited of £3,506,108 was written back to the profit and loss account.

8 Dividends

	2020	2019
	£	£
Interim paid	54,000	-
	<u> </u>	<u> </u>

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

9 Intangible fixed assets	Website	Bespoke software	Total
	£	£	£
Cost			
At 1 March 2019	25,020	110,670	135,690
Additions	2,047	5,250	7,297
	<hr/>	<hr/>	<hr/>
At 29 February 2020	27,067	115,920	142,987
	<hr/>	<hr/>	<hr/>
Amortisation and impairment			
At 1 March 2019	16,352	28,553	44,905
Amortisation charged for the year	7,175	38,494	45,669
	<hr/>	<hr/>	<hr/>
At 29 February 2020	23,527	67,047	90,574
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 29 February 2020	3,540	48,873	52,413
	<hr/>	<hr/>	<hr/>
At 28 February 2019	8,668	82,117	90,785
	<hr/>	<hr/>	<hr/>

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2020

10	Tangible fixed assets	Plant and machinery	Bar equipment	Misc. equipment	Motor vehicles	Office equipment	ATMs	Total
		£	£	£	£	£	£	£
	Cost							
	At 1 March 2019	65,479	795,974	636,791	56,026	133,976	508,066	2,196,312
	Additions	12,500	116,686	5,512	11,693	3,566	17,574	167,531
	Disposals	-	-	(6,142)	-	-	-	(6,142)
	At 29 February 2020	77,979	912,660	636,161	67,719	137,542	525,640	2,357,701
	Depreciation and impairment							
	At 1 March 2019	44,811	381,632	462,732	35,977	109,493	194,608	1,229,253
	Depreciation charged in the year	18,754	194,835	84,721	18,256	14,122	108,277	438,965
	At 29 February 2020	63,565	576,467	547,453	54,233	123,615	302,885	1,668,218
	Carrying amount							
	At 29 February 2020	14,414	336,193	88,708	13,486	13,927	222,755	689,483
	At 28 February 2019	20,668	414,342	174,059	20,049	24,483	313,458	967,059

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

11 Fixed asset investments

	Notes	2020 £	2019 £
Investments in subsidiaries	12	100	-

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 March 2019	-
Additions	100
At 29 February 2020	100
Carrying amount	
At 29 February 2020	100
At 28 February 2019	-

12 Subsidiaries

Details of the company's subsidiaries at 29 February 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
POP (Purveyors of Plenty) Collective Limited	England and Wales	Ordinary	100

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
POP (Purveyors of Plenty) Collective Limited	100	-

13 Stocks

	2020 £	2019 £
Goods for resale	327,693	374,449

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

14 Debtors		2020	2019
Amounts falling due within one year:		£	£
Trade debtors		178,552	593,744
Corporation tax recoverable		67,213	-
Other debtors		22,226	32,996
Prepayments and accrued income		447,651	657,184
		<u>715,642</u>	<u>1,283,924</u>
		<u><u>715,642</u></u>	<u><u>1,283,924</u></u>
15 Creditors: amounts falling due within one year		2020	2019
		£	£
		Notes	£
Bank loans		-	10,922
Obligations under finance leases	17	8,560	42,129
Trade creditors		190,380	1,625,189
Other loans		50,000	3,346,863
Taxation and social security		118,055	79,463
Other creditors		55,838	151,373
Accruals and deferred income		323,100	265,564
		<u>745,933</u>	<u>5,521,503</u>
		<u><u>745,933</u></u>	<u><u>5,521,503</u></u>
16 Creditors: amounts falling due after more than one year		2020	2019
		£	£
		Notes	£
Obligations under finance leases	17	4,823	13,384
Other loans		200,000	-
		<u>204,823</u>	<u>13,384</u>
		<u><u>204,823</u></u>	<u><u>13,384</u></u>
17 Finance lease obligations		2020	2019
Future minimum lease payments due under finance leases:		£	£
Within one year		8,560	42,129
In two to five years		4,823	13,384
		<u>13,383</u>	<u>55,513</u>
		<u><u>13,383</u></u>	<u><u>55,513</u></u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 1 year. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

18 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
550 A Ordinary shares of £1 each	550	550
350 B Ordinary shares of £1 each	350	350
	<u>900</u>	<u>900</u>
	<u><u>900</u></u>	<u><u>900</u></u>

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	136,871	195,165
Between two and five years	104,167	229,167
	<u>241,038</u>	<u>424,332</u>
	<u><u>241,038</u></u>	<u><u>424,332</u></u>

20 Related party transactions

During the year goods and services were purchased totalling £2,575,007 (2019 £4,181,249) from Matthew Clark Bibendum Limited. Until 14 October 2019, Matthew Clark Bibendum Limited was the parent company. On this date the directors of the company completed a management buyout and the company's share capital is now 100% owned by the directors/founders.

PEPPERMINT EVENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

21 Cash (absorbed by)/generated from operations	2020 £	2019 £
Profit/(loss) for the year after tax	3,130,444	(217,819)
Adjustments for:		
Taxation credited	(67,213)	-
Finance costs	2,113	7,045
Loss on disposal of tangible fixed assets	6,142	7,850
Amortisation and impairment of intangible assets	45,669	35,503
Depreciation and impairment of tangible fixed assets	438,965	318,331
Amounts written back to financial liabilities	(3,466,700)	-
Movements in working capital:		
Decrease/(increase) in stocks	46,756	(114,665)
Decrease in debtors	635,495	37,852
(Decrease)/increase in creditors	(4,531,079)	1,339,386
Cash (absorbed by)/generated from operations	<u>(3,759,408)</u>	<u>1,413,483</u>

22 Analysis of changes in net funds	1 March 2019 £	Cash flows £	Other non-cash changes £	29 February 2020 £
Cash at bank and in hand	980,543	(576,801)	-	403,742
Borrowings excluding overdrafts	(10,922)	(3,495,186)	3,506,108	-
Obligations under finance leases	(55,513)	42,130	-	(13,383)
	<u>914,108</u>	<u>(4,029,857)</u>	<u>3,506,108</u>	<u>390,359</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.