

THE FULHAM SHORE PLC



REPORT & FINANCIAL STATEMENTS

Period ended 29 March 2015

THE FULHAM SHORE PLC
TABLE OF CONTENTS

	Page
BACKGROUND AND HIGHLIGHTS	2
CHAIRMAN'S STATEMENT	3
BOARD OF DIRECTORS	4
STRATEGIC REPORT	5
DIRECTORS' REPORT	7
STATEMENT OF DIRECTORS' RESPONSIBILITIES	11
REPORT ON DIRECTORS' REMUNERATION	12
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FULHAM SHORE PLC	16
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	18
CONSOLIDATED AND COMPANY BALANCE SHEETS	19
CONSOLIDATED STATEMENT OF CHANGE IN EQUITY	20
COMPANY STATEMENT OF CHANGE IN EQUITY	21
CONSOLIDATED AND COMPANY CASH FLOW STATEMENT	22
ACCOUNTING POLICIES	23
NOTES TO THE FINANCIAL STATEMENTS	30
DIRECTORS, OFFICERS AND ADVISERS	62
NOTICE OF ANNUAL GENERAL MEETING	63

THE FULHAM SHORE PLC
BACKGROUND AND HIGHLIGHTS
for the 9 months ended 29 March 2015

Background

The Fulham Shore PLC (the “Company” or “Fulham Shore”) was incorporated in March 2012. The Directors believe that there are a number of potentially attractive investment opportunities within the restaurant and food service sectors in the UK.

The Directors believe that, given their collective experience in the restaurant and food service sectors, they can take advantage of the opportunities which exist in these sectors and create a profitable and sustainable business.

The ordinary shares of the Company were admitted to trading on AIM in October 2014 in order to capitalise on such opportunities.

Fulham Shore currently operates 24 restaurants, 9 “The Real Greek” (www.therealgreek.com) and 15 “Franco Manca” (www.francomanca.co.uk).

Highlights

All comparative figures for the year ending 29 June 2014 below refer to the performance of Kefi Limited.

- Net cash as at 29 March 2015 of £3,029,000 (29 June 2014: £391,000)
- Acquisition of 99.04% of the issued share capital of Kefi Limited, the owner of The Real Greek group of restaurants in October 2014
- Revenues for the 9 months ended 29 March 2015 of £8,310,000 (12 months ended 29 June 2014: £8,646,000)
- Headline Operating Profit for the 9 months ended 29 March 2015 of £790,000 (12 months ended 29 June 2014: £1,229,000)
- Operating Profit for the 9 months ended 29 March 2015 of £25,000 (12 months ended 29 June 2014: £1,099,000) after incurring £374,000 of costs in relation to the reverse acquisition of Kefi Limited.
- Opened 1 new The Real Greek during the 9 months ended 29 March 2015
- Since the year end:
 - acquisition of 99% of the issued share capital of Franco Manca Holdings Limited in April 2015
 - the opening of a further 4 restaurants – 1 “The Real Greek” and 3 “Franco Manca”
 - successful completion of fund raising of £4,750,000 (before expenses) in April 2015

THE FULHAM SHORE PLC

CHAIRMAN'S STATEMENT

Your board is pleased to report on a busy 12 months for the Group.

Acquisition of The Real Greek

On 20 October 2014, the Company acquired 99.04% of the issued share capital of Kefi Limited, the owner of The Real Greek group of restaurants. For accounting purposes, the purchase has been treated as a "reverse acquisition". As a result the period referred to in this statement relates to the 9 months ended 29 March 2015 with comparative financial information relating to 12 months ended 29 June 2014 of Kefi Limited and its subsidiaries.

Trading

Revenue for the 9 months period ended 29 March 2015 was £8,310,000 (12 months ended 29 June 2014: £8,646,000) and Headline Operating Profit for the same period was £790,000 (12 months ended 29 June 2014: £1,229,000).

During the period, the Group owned and traded The Real Greek for approximately 5 months and also operated a Franco Manca franchise at 98 Tottenham Court Road in London. Following The Real Greek acquisition, we opened 1 new Real Greek restaurant in Soho, taking the total number of Real Greek restaurants operated by the Group to 8 at the period end.

Cash flow

During the 9 months period ended 29 March 2015, net cash inflow from operations was £1,098,000 (12 months ended 29 June 2014: £1,580,000), which included the advisory costs of the acquisition of Kefi Limited. During the same period we invested £1,178,000 (12 months ended 29 June 2014: £583,000) on property, plant and equipment. Overall, there was a net cash inflow of £2,275,000 (12 months ended 29 June 2014: £631,000) resulting in net cash as at 29 March 2015 of £3,029,000 (as at 29 June 2014: £391,000).

Current trading and outlook

Since the period end, the Group has acquired 99% of Franco Manca Holdings Limited, which owns the eponymous sourdough pizzeria business.

We are excited about the new financial year with the prospect of expanding our two excellent restaurant businesses, The Real Greek and Franco Manca.

Since the year end and the acquisition of Franco Manca, we have opened 1 new Real Greek restaurant in St Martins Lane in Covent Garden, London and 3 new Franco Manca pizzerias in Covent Garden (London), Soho (London) and Ealing (London) which opens today. This takes the total number of restaurants operated by the Group to 24 restaurants today.

We are also building two more Franco Manca pizzerias in Earls Court (London) and Bermondsey (London) which will open this autumn.

We look forward to the further expansion of our two restaurant businesses during the current year.

DM Page
Chairman

30 July 2015

THE FULHAM SHORE PLC

BOARD OF DIRECTORS

The Directors of The Fulham Shore PLC are:

David Page – *Chairman*

David trained as both a cartographer and a teacher. He was the owner and managing director of the largest PizzaExpress franchisee organisation – the G&F Group – from 1973 to 1993. The flotation of PizzaExpress PLC took place in 1993. David was chief executive of PizzaExpress and then chairman until it was acquired by a private equity house in 2002. Following the sale of PizzaExpress in 2003, David founded and was chairman of The Clapham House Group PLC from 2003 to 2010, the owner of Gourmet Burger Kitchen and Bombay Bicycle Club. David's investment portfolio in the sector includes shareholdings in a range of restaurants, including: Rocca di Papa, Bukowski, MEATliquor and Chillbox.

Nabil Mankarious – *Managing Director*

Nabil came to the United Kingdom from Alexandria, Egypt in 1986 to study medicine. Whilst a student he started work in the kitchen of a PizzaExpress restaurant and rose through the ranks to become Regional Director for PizzaExpress London in 2001. From 2006 until 2011 Nabil was head of Group Purchasing at The Clapham House Group PLC and head of operations at Gourmet Burger Kitchen, its largest subsidiary company.

Nicholas Donaldson – *Director and Company Secretary*

Nick, a barrister by profession, has spent the majority of his career in the corporate finance field. Nick worked as Head of Corporate Finance and M&A at Credit Lyonnais Securities from 1996 until 2000. Thereafter he was Head of Investment Banking in Europe for Robert W. Baird and subsequently Head of Corporate Finance at Arbuthnot Securities. Nick has spent the majority of his career providing strategic advice to companies in a range of sectors, including the restaurant sector. Nick is chairman of AIM quoted DP Poland PLC and an independent director of the fully listed Games Workshop Group PLC. He was a co-founder of The Clapham House Group PLC, which was the subject of a recommended takeover in 2010.

Nicholas Wong – *Finance Director*

Nick qualified as a chartered accountant with Baker Tilly and specialised, pre and post qualification in corporate finance. From 2005 to 2013, Nick was the Group Finance Director and Company Secretary of The Clapham House Group PLC and worked on the acquisitions of several restaurant businesses including Gourmet Burger Kitchen, the disposals of several restaurant businesses and the recommended takeover of The Clapham House Group PLC in 2010. During this time GBK grew from 6 to over 60 restaurants in the UK and over 10 internationally. Nick also looked after the IT and online strategy of GBK, introducing numerous loyalty and social media systems into the business.

Martin Chapman – *Non-executive Director*

In November 2012, Martin exercised his option to take early retirement after a 38 year career with HSBC Bank plc. For the 10 years prior to his retirement, Martin held the position of Head of Corporate Banking for HSBC's largest Corporate Banking team based in the West End of London. In addition to managing and leading a large team of senior managers, Martin had ultimate responsibility for managing the Bank's relationship with a substantial number of corporate customers covering almost all industry sectors and included a substantial number of publicly quoted companies. As well as the general mid market corporate business, Martin was also responsible for the Bank's Corporate Real Estate business for Southern England as well the Bank's Corporate Hotel business for the whole of the UK. Martin has spent the majority of his career in Corporate Banking where he has gained considerable experience in leading strategic discussion with management teams/shareholders and stakeholders in exploring debt financing options and Capital Market solutions for supporting growth, whether organically or by way of acquisition or merger activities. Martin is also a Non Executive Director of Weston Group plc, Senior Advisor to MXC Capital Limited and a Consultant with The Erith Group.

The Directors present their Strategic Report for the 9 months ended 29 March 2015. It is important to note that, due to the acquisition of Kefi Limited being treated as a reverse acquisition for accounting purposes, the period referred to in this Annual Report relates to the 9 months ended 29 March 2015 with comparatives relating to 12 months ended 29 June 2014.

Introduction

The Group intends to assemble a group of distinct restaurant businesses operating in the UK, each driven by a skilled and incentivised team. We aim to grow shareholder value by increasing both the profitability and the value of each individual business.

Review of the business

The results for the 9 months period ended 29 March 2015 are set out in the statement of comprehensive income on page 18.

During the period, we acquired 99.04% of Kefi Limited, the owner of The Real Greek group of restaurants.

The Group reported revenue for the 9 months ended 29 March 2015 was £8,310,000 (12 months ended 29 June 2014: £8,646,000) and Headline Operating Profit was £790,000 (12 months ended 29 June 2014: £1,229,000). The Group opened 1 new Real Greek restaurant during the period taking the total number of restaurants operated by the Group to 9 (12 months ended 29 June 2014: 7) at the period end.

A further review of the business and its financial performance is provided in the Chairman's Statement on page 3.

Principal risks and uncertainties

The Directors consider the following to be the principal risks faced by the Group:

Economic Conditions

The Group's performance depends on the economic conditions and consumer confidence in the UK. The UK economy is in a period of growth with reducing levels of unemployment and expectation of stronger consumer spending. However there continues to be rapid changes to the UK economy. The Group's existing restaurants offer an exceptional customer value experience which positions the business well in dealing with the continued volatility in the UK economy.

Development programme

The Group's development programme is dependent on securing the requisite number of new properties. The UK restaurant property market is competitive. To mitigate these issues, the Group has an experienced property team concentrating on securing new sites for the Group.

Supply chain

The Group focuses on the freshness and quality of the produce used in its restaurants. It is exposed to potential supply chain disruptions due to the delay or losses of inventory in transit. The Group mitigates this risk through effective supplier selection and an appropriate back-up supply chain.

Employees

The Group's performance depends largely on its management team and its restaurant team. The inability to recruit people with the right experience and skills could adversely affect the Group's results. To mitigate these issues the Group has implemented a number of incentive schemes designed to retain key individuals.

Competition

The Group operates in a very competitive and fragmented market which regularly sees new concepts come to the market. However the Directors believe that the strength of the existing restaurant brands, value offer and constant strive towards delivering the best product and service will help the business to mitigate competitive risk.

Investment programme

The Group's investment programme is dependent on securing suitable acquisition targets.

Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them.

Financial risk management

The Board regularly reviews the financial requirements of the Group and the risks associated therewith. The Group does not use complicated financial instruments, and where financial instruments are used it is for reducing interest rate risk. The Group does not trade in financial instruments. Group operations are primarily financed from equity funds raised, bank borrowings and retained earnings. In addition to the financial instruments described above, the Group also has other financial instruments such as receivables, trade payables and accruals that arise directly from the Group's operations. Further information is provided in note 11 to the financial statements.

Key performance indicators

The Board receives a range of management information delivered in a timely fashion. The principal measures of progress that are reviewed on a regular basis to monitor the development of the Company and the Group are shown in the Highlights section on page 2.

Approved on behalf of the board of directors

NAG Mankarious

Director

30 July 2015

THE FULHAM SHORE PLC

DIRECTORS' REPORT

The Directors have pleasure in presenting their report on the affairs of the Group together with the audited financial statements for the period ended 29 March 2015. It is important to note that, due to the acquisition of Kefi Limited being treated as a reverse acquisition for accounting purposes, the period referred to in this Annual Report relates to the 9 months ended 29 March 2015 with comparatives relating to 12 months ended 29 June 2014.

Principal activity

The principal activity of the Group and Company is the operation and management of restaurants.

Review of the business and future developments

Information about the progress of the business and the Group's corporate activities is given in the Chairman's Statement on page 3 and the Strategic Report on pages 5 and 6.

Results and dividends

The financial results for the 9 months ended 29 March 2015 includes the Group's trading following completion of the reverse acquisition on 20 October 2014 and Kefi Limited's trading prior to the reverse acquisition. The prior year comparison refers to the performance of Kefi Limited for the 12 months ended 29 June 2014.

The results for the 9 months ended 29 March 2015 are set out in the consolidated statement of comprehensive income on page 18. The Group reported revenues for the 9 months period ended 29 March 2014 of £8,310,000 (12 months ended 29 June 2014: £8,646,000) and the Headline Operating Profit of £790,000 for the 9 months period ended 29 March 2015 (12 months ended 29 June 2014: £1,229,000).

No final dividend is being proposed by the Board. It remains the Board's policy that, subject to the availability of distributable reserves, dividends will be paid to shareholders when the Directors believe it is appropriate and prudent to do so.

Directors

The following Directors of the Company have held office since 31 March 2014:

DM Page
NAG Mankarious
NJ Donaldson
NCW Wong
MA Chapman (appointed 1 July 2014)

The Directors at the date of this report, together with their biographical details, are set out on page 4.

At the 2015 Annual General Meeting, in accordance with the Company's Articles of Association, Mr NAG Mankarious will retire. Being eligible, and with the Board's recommendation, he will offer himself for re-election.

THE FULHAM SHORE PLC
DIRECTORS' REPORT

Directors' interests in shares

Directors' interests in the shares of the Company, including family interests, were as follows:

Director	As at 29 March 2015		As at 29 June 2014 or date of appointment, if later	
	<i>Ordinary shares of 1p each</i>	%	<i>Ordinary shares of 1p each</i>	%
DM Page	87,992,731	15.46%	15,400,100	18.44%
NAG Mankarious	112,754,147	19.81%	17,300,000	20.72%
NJ Donaldson	13,044,337	2.29%	5,300,000	6.35%
NCW Wong	8,367,257	1.47%	6,800,000	8.14%
MA Chapman *	766,818	0.13%	–	–%

* appointed during the period

Details of the Directors' interests in share options during the year are disclosed in the Report on Directors' Remuneration on pages 12 to 15.

Directors' liability insurance and indemnity

The Group has arranged insurance cover in respect of legal action against its Directors. To the extent permitted by UK law, the Group also indemnifies the Directors. These provisions were in force throughout the year and in force at the date of this report.

Substantial shareholders

The Directors' interests in the shares of the Company have been disclosed above. On 29 July 2015, the Company had been notified of the following interests in the ordinary share capital of the Company:

	As at 29 July 2015	
	Ordinary shares of 1p each	%
NAG Mankarious	112,754,147	19.81%
DM Page	87,992,731	15.46%
S Wasif	84,870,414	14.91%
P Solari	22,670,250	3.98%
G Mascoli	30,589,746	5.37%
J & K Akhtar	17,635,836	3.10%

No other person has reported an interest of more than 3% in the ordinary shares.

Employment policy

The Group's policies respect the individual regardless of gender, age, race or religion. Where reasonable and practical under the existing legislation, all persons, including disabled persons, have been treated fairly and consistently, including matters relating to employment, training and career development.

The Group takes a positive view of employee communication and has established systems for employee consultation and communication of developments. The Group encourages the involvement of employees in the Group's performance.

Corporate governance

The UK Corporate Governance Code is not mandatory for companies traded on the AIM Market. However, the Board of The Fulham Shore PLC recognises the importance of sound corporate governance. The Group intends to comply with the QCA Guidelines so far as is practicable and appropriate for a public Group of its size and nature. As the Group grows, the Directors intend that the Group should develop policies and procedures which reflect the principles of good governance and other requirements set out in the UK Corporate Governance Code, to the extent that they are appropriate to the size and nature of the Group.

The Company has established audit and remuneration committees of the Board with formally delegated duties and responsibilities.

The Audit Committee

The Audit Committee comprises MA Chapman, who will act as chairman of the Audit Committee, NJ Donaldson and NCW Wong. A quorum shall be two members of the Audit Committee. The Audit Committee will meet at least twice a year and at such other times as the chairman of the Audit Committee shall deem necessary. The Audit Committee receives and reviews reports from management and the Company's auditors relating to the interim and annual accounts and keeps under review the accounting and internal controls which the Company has in place.

Remuneration Committee

The Remuneration Committee comprises of MA Chapman, who will act as chairman of the Remuneration Committee, and DM Page. A quorum shall be both of the members of the Remuneration Committee. The Remuneration Committee will meet at such times as the chairman of the Remuneration Committee or the Board deem necessary. The Remuneration Committee shall determine and review the terms and conditions of service of the executive directors and the non-executive directors. The Remuneration Committee will also review the terms and conditions of any proposed share incentive plans, to be approved by the Board and the Company's shareholders.

Independence of the Auditor

The Board undertakes a formal assessment of the auditor's independence each year which will include:

- a review of non-audit services provided to the Group and related fees;
- discussion with the auditor of a written report detailing all relationships with the Group and any other parties which could affect independence or the perception of independence;
- a review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- obtaining written confirmation from the auditor that, in their professional judgment, they are independent.

An analysis of the fees payable to the external audit firm in respect of both audit and non-audit services during the year is set out in note 1 to the financial statements.

Political and charitable contributions

During the 9 months ended 29 March 2015 the Group made no political contributions. The Group made charitable donations during the 9 months ended 29 March 2015 by contributing £7,000 (12 months ended 29 June 2014: £Nil) to Action for Hunger.

Annual general meeting

On pages 63 to 64 is a notice convening the annual general meeting of the Company for 28 August 2015 and the notice sets out the resolutions to be proposed at that meeting. The Board believes that the proposed resolutions to be put to the annual general meeting to be held on 28 August 2015 are in the best interests of shareholders and, accordingly, recommends that shareholders vote in favour of the resolutions.

Statement as to disclosure of information to auditors

The Directors who were in office on the date of approval of these financial statements have confirmed that as far as they are aware, there is no relevant audit information of which the auditors are unaware. The Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Going concern

The Company's and Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 5 to 6. In addition, note 14 to the financial statements includes the company's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk.

The Directors have reviewed the financial resources and facilities available to deal with its business risks. The Directors therefore feel well placed to manage the business risks successfully within its present financial arrangements.

The Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Post balance sheet events

Acquisition of Franco Manca Holdings Limited (formerly Rocca Limited)

On 21 April 2015, the Group acquired 99% of the issued share capital of Franco Manca Holdings Limited (formerly Rocca Limited) for a consideration of £27,465,054 made up of £6,184,677 in cash and £21,280,377 by the issue of 193,457,975 ordinary shares in the Company at 11p each. Franco Manca Holdings Limited owns 100% of the share capital of Franco Manca 2 UK Limited, the company that owns and operates Franco Manca restaurants and is franchisor of the current Franco Manca restaurant operated by the Company's subsidiary FM98 LTD Limited.

Fund raise

On 21 April 2015, the Group completed a fund raising of £4,750,000 (before expenses) by way of a subscription and placing of 25,000,000 ordinary shares in the Company and 18,181,818 ordinary shares in the Company respectively at 11p each.

Auditors

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Approved on behalf of the board of directors

NAG Mankarious

Director

30 July 2015

THE FULHAM SHORE PLC

STATEMENTS ON DIRECTORS' RESPONSIBILITIES

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. The directors are required under the AIM Rules to prepare Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have elected under company law to prepare the company financial statements in accordance with IFRS.

The financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and performance of the Group and the Company; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 Group and the Company and of the profit or loss of the Group for that period.

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the Group financial statements;
- d. 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 Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on The Fulham Shore PLC website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

NAG Mankarious
Director

30 July 2015

Introduction

The Board of The Fulham Shore PLC has resolved that the Company, whilst trading on the AIM market, should apply good governance to Directors' remuneration.

Remuneration Committee

The Remuneration Committee is authorised by the Board to determine the Company's remuneration policy on executive Directors' service contracts and remuneration including share based incentive awards. The Remuneration Committee is chaired by MA Chapman, the non-executive director. DM Page also served on the committee during the year.

Remuneration Policy

The Company's executive remuneration packages are designed to attract, motivate and retain personnel of the high calibre needed to create value for shareholders. There are three components to the executive Directors' remuneration, being basic salary and benefits, annual bonus scheme and share based incentive schemes. The performance measurement of the executive Directors and key members of senior management and the determination of their annual remuneration packages is undertaken by the remuneration committee.

Directors' Service Agreements

DM Page was appointed as a Director and Executive Chairman in 2 March 2012. On 30 September 2014 DM Page entered into a service agreement with the Company under the terms of which he agreed to act as Executive Chairman of the Company. The agreement is terminable on 12 months notice to be given by either party.

NAG Mankarious was appointed as a Director in 2 March 2012. On 30 September 2014 NAG Mankarious entered into a service agreement with the Company under the terms of which he agreed to act as Managing Director of the Company. The agreement is terminable on 12 months notice to be given by either party.

NJ Donaldson was appointed as a Director in 2 March 2012. On 30 September 2014 London Bridge Capital Limited entered into a consultancy agreement with the Company under the terms of which London Bridge Capital Limited has agreed to provide the services of NJ Donaldson to act as a Director the Company. The agreement is terminable on 12 months notice to be given by either party.

NCW Wong was appointed as the Finance Director on 13 January 2014. On 30 September 2014 NCW Wong entered into a service agreement with the Company under the terms of which he agreed to act as Finance Director of the Company. The agreement is terminable on 12 months notice to be given by either party.

MA Chapman was appointed as a Director in 1 July 2014. On 11 June 2014 MA Chapman entered into a letter of appointment with the Company under the terms of which he agreed to act as a non-executive director. The agreement is terminable on 3 months notice to be given by either party.

Incentive Arrangements

The Directors and employees of the Group also participate in incentive arrangements to reward individuals if shareholder value is created.

Under these arrangements certain Directors are entitled to performance related bonuses and participation in share based incentive schemes. The details of the share based incentive schemes are given in note 17.

THE FULHAM SHORE PLC
REPORT ON DIRECTORS' REMUNERATION

Directors' Remuneration

Although the acquisition of Kefi Limited has been treated as a reverse acquisition for the purposes of accounting presentation, the Directors of the Company remained unchanged as a result of the acquisition. Therefore the Remuneration Committee and the Board feels that it is appropriate to continue to report on the Directors' remuneration for The Fulham Shore PLC continuing from the prior year for The Fulham Shore PLC which ended on 30 March 2014:

Year ended 29 March 2015:

	Salary £'000	Fees £'000	Bonus £'000	Benefits £'000	Total £'000
Executive Directors					
DM Page	44	27	5	–	76
NAG Mankarious	75	–	5	–	80
NJ Donaldson	–	26	5	2	33
NCW Wong	101	–	18	–	119
	<u>220</u>	<u>53</u>	<u>33</u>	<u>2</u>	<u>308</u>
Non-executive Director					
MA Chapman	19	–	–	–	19
	<u>239</u>	<u>53</u>	<u>33</u>	<u>2</u>	<u>327</u>

Year ended 30 March 2014:

	Salary £'000	Fees £'000	Bonus £'000	Benefits £'000	Total £'000
Executive Directors					
DM Page	15	–	–	–	15
NAG Mankarious	15	–	–	–	15
NJ Donaldson	–	15	–	–	15
NCW Wong	15	–	–	–	15
	<u>45</u>	<u>15</u>	<u>–</u>	<u>–</u>	<u>60</u>
Non-executive Director					
MA Chapman	–	–	–	–	–
	<u>45</u>	<u>15</u>	<u>–</u>	<u>–</u>	<u>60</u>

No pension contributions were payable to any of the Directors during the year.

The fees in respect of NJ Donaldson were paid to London Bridge Capital Limited for his services as a director.

THE FULHAM SHORE PLC
REPORT ON DIRECTORS' REMUNERATION

The directors' remuneration can be reconciled to the financial statements as follows:

	Year ended 29 March 2015 £'000	Pre- Acquisition Fulham Shore £'000	Post Acquisition Fulham Shore £'000	Pre- Acquisition Kefi £'000	9 Months 29 March 2015 £'000
Executive Directors					
DM Page	76	42	34	71	105
NAG Mankarious	80	17	63	48	111
NJ Donaldson	33	15	18	30	48
NCW Wong	119	60	59	–	59
	<u>308</u>	<u>134</u>	<u>174</u>	<u>149</u>	<u>323</u>
Non-executive Director					
MA Chapman	19	6	13	–	13
	<u>327</u>	<u>140</u>	<u>187</u>	<u>149</u>	<u>336</u>

Directors' interests in Group share based incentive schemes

The interests of the Directors under the Group's share based incentive schemes as at 29 March 2015 were as follows:

	Options outstanding 30 March 2014	Options granted during year	Options outstanding 29 March 2015	Exercise Price £	Exercisable Date	Expiry Date
<i>Enterprise Management Incentives</i>						
DM Page	1,115,972	–	1,115,972	0.02	1/3/2016	1/3/2020
	554,200	–	554,200	0.05	25/02/2017	25/02/2021
	–	3,332,842	3,332,842	0.06	20/10/2018	20/10/2022
NAG Mankarious	1,115,972	–	1,115,972	0.02	1/3/2016	1/3/2020
	554,200	–	554,200	0.05	25/02/2017	25/02/2021
	–	3,332,842	3,332,842	0.06	20/10/2018	20/10/2022
NCW Wong	1,670,172	–	1,670,172	0.05	25/02/2017	25/02/2021
	–	2,774,856	2,774,856	0.06	20/10/2018	20/10/2022
<i>Unapproved</i>						
DM Page	–	1,647,256	1,647,256	0.06	20/10/2018	20/10/2022
NAG Mankarious	–	1,647,256	1,647,256	0.06	20/10/2018	20/10/2022
NCW Wong	–	2,205,242	2,205,242	0.06	20/10/2018	20/10/2022
NJ Donaldson	1,115,972	–	1,115,972	0.02	1/3/2016	1/3/2020
	554,200	–	554,200	0.05	25/02/2017	25/02/2021
	–	4,980,098	4,980,098	0.06	20/10/2018	20/10/2022
MA Chapman	–	3,325,135	3,325,135	0.06	20/10/2018	20/10/2022

THE FULHAM SHORE PLC

REPORT ON DIRECTORS' REMUNERATION

All share options above have been issued at the market price of the ordinary shares at the date of grant. During the year ended 29 March 2015, the market price of ordinary shares in the Company ranged from £0.07 (year ended 30 March 2014: £0.07) to £0.225 (year ended 30 March 2014: £0.115). The share price as at 29 March 2015 was £0.1325 (30 March 2014: £0.115).

The total share based payments charge in relation to the Directors' interest in share options recognised in the Company in the year ended 29 March 2015 was £33,000 (year ended 30 March 2014: £7,000).

The total share based payments charge in relation to the Directors' interest in share options recognised in the Group during the nine months period was £24,000 (year ended 29 June 2014: £Nil)

Details of the Directors' shareholdings are given in the Directors' Report on page 8.

Approval

This report was approved by the Board of Directors on 30 July 2015 and signed on its behalf by:

MA Chapman

Chairman of the Remuneration Committee

THE FULHAM SHORE PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FULHAM SHORE PLC

We have audited the group and parent company financial statements ("the financial statements") on pages 18 to 61. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 29 March 2015 and of the group's results for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

THE FULHAM SHORE PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FULHAM SHORE PLC

Matters on which we are required to report by exception

We have nothing to report in respect of the following where 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.

EUAN BANKS (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

30 July 2015

THE FULHAM SHORE PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the 9 months ended 29 March 2015

	Notes	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Revenue		8,310	8,646
Cost of sales		(4,485)	(4,688)
Gross profit		3,825	3,958
Administrative expenses		(3,035)	(2,729)
Headline operating profit		790	1,229
Share based payments		(194)	(60)
Pre-opening costs		(195)	(54)
Loss on disposal of property, plant and equipment		(2)	(16)
Exceptional costs – cost of reverse acquisition		(374)	–
Operating profit	1	25	1,099
Finance income		6	–
Finance costs	3	(27)	(46)
Profit before taxation		4	1,053
Income tax expense	4	(118)	(261)
(Loss)/profit for the period		(114)	792
(Loss)/profit for the period attributable to:			
Owners of the company		(118)	784
Non-controlling interests		4	8
		(114)	792
Loss per share			
Basic	5	(0.0p)	0.4p
Diluted	5	(0.0p)	0.4p
Headline Basic	5	0.2p	0.4p
Headline Diluted	5	0.2p	0.4p

There were no other comprehensive income items.

All operating gains and losses relate to continuing activities.

THE FULHAM SHORE PLC
CONSOLIDATED AND COMPANY BALANCE SHEETS
29 March 2015

	Notes	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Non-current assets					
Intangible assets	6	3,292	125	–	–
Property, plant and equipment	7	4,898	3,796	19	28
Investments in subsidiaries	8	–	–	14,261	–
Trade and other receivables	10	332	276	–	–
Deferred tax assets	15	193	–	193	–
		<u>8,715</u>	<u>4,197</u>	<u>14,473</u>	<u>28</u>
Current assets					
Inventories	9	261	215	–	–
Trade and other receivables	10	1,172	658	2,152	789
Cash and cash equivalents	11	3,889	1,614	98	1,051
		<u>5,322</u>	<u>2,487</u>	<u>2,250</u>	<u>1,840</u>
Total assets		<u>14,037</u>	<u>6,684</u>	<u>16,723</u>	<u>1,868</u>
Current liabilities					
Trade and other payables	12	(2,736)	(1,921)	(191)	(43)
Income tax payables		(490)	(316)	–	–
Borrowings	13	(350)	(350)	–	–
		<u>(3,576)</u>	<u>(2,587)</u>	<u>(191)</u>	<u>(43)</u>
Net current assets/(liabilities)		<u>1,746</u>	<u>(100)</u>	<u>2,059</u>	<u>1,797</u>
Non-current liabilities					
Borrowings	13	(510)	(873)	–	–
Deferred tax liabilities	15	(470)	(196)	–	–
		<u>(980)</u>	<u>(1,069)</u>	<u>–</u>	<u>–</u>
Total liabilities		<u>(4,556)</u>	<u>(3,656)</u>	<u>(191)</u>	<u>(43)</u>
Net assets		<u>9,481</u>	<u>3,028</u>	<u>16,532</u>	<u>1,825</u>
Equity					
Share capital	16	3,325	835	3,325	835
Share premium		2,650	1,313	2,650	1,314
Merger relief reserve		11,113	–	11,113	–
Reverse acquisition reserve		(9,469)	(717)	–	–
Retained earnings		1,840	1,579	(556)	(324)
Equity attributable to owners of the company		<u>9,459</u>	<u>3,010</u>	<u>16,532</u>	<u>1,825</u>
Non-controlling interest		22	18	–	–
Total Equity		<u>9,481</u>	<u>3,028</u>	<u>16,532</u>	<u>1,825</u>

The financial statements on pages 18 to 61 were approved by the board of Directors and authorised for issue on 30 July 2015 and are signed on its behalf by:

NAG Mankarious
Director

Company registration number: 07973930

THE FULHAM SHORE PLC
CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
for the 9 months ended 29 March 2015

	Share Capital £'000	Share Premium £'000	Merger Relief Reserve £'000	Reverse Acquisition Reserve £'000	Retained Earnings £'000	Non- Controlling Interests £'000	Total Equity £'000
At 30 June 2013	703	790	–	(62)	735	10	2,176
Profit for the period	–	–	–	–	784	8	792
Total comprehensive income for the period	–	–	–	–	784	8	792
Transactions with owners							
Ordinary shares issued (net of expenses)	132	523	–	–	–	–	655
Share based payments	–	–	–	–	60	–	60
Reverse acquisition adjustment	–	–	–	(655)	–	–	(655)
Total transactions with owners	132	523	–	(655)	60	–	60
At 29 June 2014	835	1,313	–	(717)	1,579	18	3,028
(Loss)/profit for the period	–	–	–	–	(118)	4	(114)
Total comprehensive income for the period	–	–	–	–	(118)	4	(114)
Transactions with owners							
Ordinary shares issued (net of expenses)	2,490	1,337	11,113	–	–	–	14,940
Share based payments	–	–	–	–	194	–	194
Deferred tax on share based payments	–	–	–	–	185	–	185
Reverse acquisition adjustment	–	–	–	(8,752)	–	–	(8,752)
Total transactions with owners	2,490	1,337	11,113	(8,752)	379	–	6,567
At 29 March 2015	3,325	2,650	11,113	(9,469)	1,840	22	9,481

THE FULHAM SHORE PLC
COMPANY STATEMENT OF CHANGE IN EQUITY
for the year ended 29 March 2015

	Share Capital £'000	Share Premium £'000	Merger Relief Reserve £'000	Retained Earnings £'000	Total Equity £'000
At 31 March 2013	558	359	–	(125)	792
Loss for the year	–	–	–	(206)	(206)
Total comprehensive income for the year	–	–	–	(206)	(206)
Transactions with owners					
Ordinary shares issued (net of expenses)	277	955	–	–	1,232
Share based payments	–	–	–	7	7
Total transactions with owners	277	955	–	7	1,239
At 30 March 2014	835	1,314	–	(324)	1,825
Loss for the year	–	–	–	(450)	(450)
Total comprehensive income for the year	–	–	–	(450)	(450)
Transactions with owners					
Ordinary shares issued (net of expenses)	2,490	1,337	11,113	–	14,939
Share based payments	–	–	–	33	33
Deferred tax on share based payments	–	–	–	185	185
Total transactions with owners	2,490	1,337	11,113	218	15,157
At 29 March 2015	3,325	2,650	11,113	(556)	16,532

THE FULHAM SHORE PLC
CONSOLIDATED AND COMPANY CASH FLOW STATEMENT
for the 9 months ended 29 March 2015

		Group		Parent	
	Notes	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
Net cash flow from operating activities	18	1,098	1,580	(1,628)	(961)
Investing activities					
Acquisition of property, plant and equipment		(1,178)	(583)	(1)	(5)
Cash flow from acquisition of subsidiaries	18	2,613	–	(927)	–
Net cash flow from/(used in) investing activities		1,435	(583)	(928)	(5)
Financing activities					
Proceeds from issuance of new ordinary shares (net of expenses)		125	–	1,605	1,232
Repayments of bank borrowings		(362)	(320)	–	–
Interest received		6	–	2	–
Interest paid		(27)	(46)	(4)	–
Net cash flow from financing activities		(258)	(366)	1,603	1,232
Net increase/(decrease) in cash and cash equivalents		2,275	631	(953)	266
Cash and cash equivalents at the beginning of the period	11	1,614	983	1,051	785
Cash and cash equivalents at the end of the period	11	3,889	1,614	98	1,051

THE FULHAM SHORE PLC

ACCOUNTING POLICIES

GENERAL INFORMATION

The Fulham Shore PLC is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the AIM Market.

BASIS OF PREPARATION

On 20 October 2014, The Fulham Shore PLC acquired 99.04% of the issued share capital of Kefi Limited.

The combination has been accounted for as a reverse acquisition as if Kefi Limited had issued new shares in exchange for The Fulham Shore PLC's net assets (see note 22).

The Fulham Shore PLC is presenting audited financial statements for the nine months ended 29 March 2015. The comparative period presented is audited financial statements as of and for the year ended 29 June 2014 of Kefi Limited.

The financial statements have been prepared under the historical cost convention and, as permitted by EU Law, the Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS").

The financial statements for the year ended 29 March 2015 are presented in Sterling because that is the primary currency of the primary economic environment in which the Group operates. All values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The parent company has not presented its own income statement, statement of total comprehensive income and related notes as permitted by section 408 of the Companies Act 2006.

At the date of authorisation of these financial statements, the following Standards and Interpretations relevant to the Group operations that have not been applied in these financial statements were in issue but not yet effective:

IFRS 5 (Amendment)	Non-current assets held for sale or discontinued operations
IFRS 7 (Amendment)	Financial instruments disclosures
IFRS 9	Financial instruments
IFRS 15	Revenue from contracts with customers
IAS 1 (Amendment)	Disclosure initiative
IAS 16 (Amendment)	Clarification of acceptable methods of depreciation and amortisation
IAS 19 (Amendment)	Employee benefits
IAS 27 (Amendment)	Equity method in separate financial statements
IAS 34 (Amendment)	Interim financial reporting
IAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortisation

The Directors anticipate that the adoption of these Standards and Interpretations as appropriate in future years will have no material impact on the financial statements of the Group.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore the Board is satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements.

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of The Fulham Shore PLC and all of its subsidiary undertakings for the period. Subsidiaries acquired during the period are consolidated from

THE FULHAM SHORE PLC

ACCOUNTING POLICIES

the date that the Group has the power to control and will continue to be consolidated until the date that such control ceases.

Although the legal form of the transaction during the period is an acquisition of Kefi Limited by The Fulham Shore PLC, the substance is the reverse of this. Accordingly the business combination has been prepared using reverse acquisition accounting.

The acquisition of other subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets and liabilities are recognised at their fair values at the acquisition date.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

INTANGIBLE ASSETS

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of an acquisition over the Group's interest in the fair value attributed to the net assets at acquisition. Goodwill is not subject to amortisation but is tested for impairment at least annually. After initial recognition, goodwill is stated at cost less any accumulated impairment losses. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill is allocated to cash generating units for the purpose of impairment testing. Each of these cash generating units represent the Group's investment in a subsidiary. On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Trademarks and licenses

The fair value of the intangible assets acquired through the reverse acquisition was determined using discounted cash flow models. The key assumptions for the valuation method are those regarding future cash flows, tax rates and discount rates. The cash flow projections are based on management forecasts for the next four years period.

Other intangible assets with finite lives are stated at cost less accumulated amortisation and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The estimated useful lives range from 5 to 20 years on a straight-line basis.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less depreciation and any recognised impairment loss. The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is provided on property, plant and equipment at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Leasehold properties and improvements	over lease term or renewal term
Plant and equipment	20% to 33% straight line
Furniture, fixtures and fittings	10% to 20% straight line

Assets in the course of construction are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

Residual values, useful lives and methods of depreciation are reviewed and adjusted if appropriate on an annual basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal

or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

IMPAIRMENT OF ASSETS

Goodwill is not subject to amortisation but is tested for impairment annually or whenever there is an indication that the asset may be impaired. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash generating units. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Impairment losses recognised for goodwill are not reversed in a subsequent period. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets with finite useful lives 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, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities, in respect of financial instruments, are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

TRADE AND OTHER RECEIVABLES

Receivables are classified as loans and receivables and are initially recognised at fair value. They are subsequently measured at their amortised cost using the effective interest method less any provision for impairment. A provision for impairment is made where there is objective evidence (including customers with financial difficulties or in default on payments), that amounts will not be recovered in accordance with original terms of the agreement. A provision for impairment is established when the carrying value of the receivable exceeds the present value of the future cash flow, discounted using the original effective interest rate. The carrying value of the receivable is reduced through the use of an allowance account and any impairment loss is recognised in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

TRADE AND OTHER PAYABLES

Payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

THE FULHAM SHORE PLC

ACCOUNTING POLICIES

SHARE CAPITAL

Share capital represents the nominal value of ordinary shares issued.

SHARE PREMIUM

Share premium represents the amounts subscribed for share capital in excess of nominal value less the related costs of share issue.

MERGER RELIEF RESERVE

In accordance with Companies Act 2006 S.612 'Merger Relief', the company issuing shares as consideration for a business combination, accounted at fair value, is obliged, once the necessary conditions are satisfied, to record the share premium to the merger relief reserve.

REVERSE ACQUISITION RESERVE

Reverse accounting under IFRS 3 'Business Combinations' requires the difference between the equity of the legal parent and the issued equity instruments of the legal subsidiary pre-combination is to be recognised as a separate component of equity.

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated into sterling, the presentational and functional currency of the Group, at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. Interest bearing loans and overdrafts are initially measured at fair value (which is equal to cost at inception), and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowing. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

TAXATION

Income tax expense represents the sum of the current tax payable and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because some items of income or expense are taxable or deductible in different years or may not be taxable or deductible. The Group's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit or the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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.

THE FULHAM SHORE PLC

ACCOUNTING POLICIES

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they either relate to income taxes levied by the same taxation authority on either the same taxable entity or on different taxable entities which intend to settle the current tax assets and liabilities on a net basis.

Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also recognised directly in equity.

LEASES

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

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the income statement.

Rentals payable under operating leases are charged to the income statement on a straight line basis or other systematic basis if representative of the time pattern of the user's benefit over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

RETIREMENT BENEFITS

The amount charged to the income statement in respect of pension costs is the contributions payable to money purchase schemes in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

REVENUE RECOGNITION

Revenue represents the fair value of the consideration received or receivable, net of Value Added Tax, for goods sold and services provided to customers outside the Group after deducting discounts. Revenue is recognised when the significant risks and rewards of ownership are transferred.

INTEREST INCOME

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

SHARE BASED PAYMENTS

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

THE FULHAM SHORE PLC

ACCOUNTING POLICIES

Fair value is measured using a Black-Scholes valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

ACCOUNTING PERIOD

The consolidated group accounts have been prepared for the nine months period from 30 June 2014 to 29 March 2015 with the comparative period being the twelve months period from 1 July 2013 to 29 June 2014.

The Company accounts have been prepared for the year from 31 March 2014 to 29 March 2015 with the comparative period being from incorporation on 1 April 2013 to 30 March 2014.

ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies, described above, with respect to the carrying amounts of assets and liabilities at the date of the financial statements, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting year. These judgements, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including current and expected economic conditions. Although these judgements, estimates and associated assumptions are based on management's best knowledge of current events and circumstances, the actual results may differ. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

The judgements, estimates and assumptions which are of most significance to the Group are detailed below:

Valuation of acquired businesses

Reverse acquisition and intangible assets

The Group applied the principles of IFRS 3's reverse acquisition accounting in respect of the acquisition of Kefi Limited during the year. The key judgements involved were the identification and valuation of intangible assets which required the estimation of future cash flows and the selection of a suitable discount rate and the determination that the difference between the fair value of the consideration effectively given and the aggregate of the fair values of the separable net assets acquired effectively represents the cost of acquiring the public listing, and has been treated as an administrative expense. Further information can be found in note 22.

Assessment of the recoverable amounts in respect of assets tested for impairment

The Group tests property, plant and equipment and intangible assets, including goodwill, for impairment on an annual basis or more frequently if there are indications that amounts may be impaired. The impairment analysis for such assets is principally based upon discounted estimated future cash flows from the use and eventual disposal of the assets. Such an analysis includes an estimation of the future anticipated results and cash flows, annual growth rates and the appropriate discount rates.

Valuation of share based payments

The charge for share based payments is calculated in accordance with the methodology described in note 17. The model requires highly subjective assumptions to be made including the future volatility of the Company's share price, expected dividend yield and risk-free interest rates.

OPERATING SEGMENTS

The group considers itself to have a single purpose, the management and operation of restaurants, and therefore concludes that it has only one business segment and only one geographical segment, being the United Kingdom.

DEFINITIONS

OPERATING PROFIT

Operating profit is defined as profits from operations after share based payments but before impairment of property, plant and equipment, impairment of goodwill and intangible assets, onerous lease costs, restructuring costs, finance income, finance costs and taxation.

HEADLINE OPERATING PROFIT

Headline operating profit is defined as operating profit before impairment of property, plant and equipment, impairment of goodwill and intangible assets, onerous lease costs, restructuring costs, costs of reverse acquisition, share based payments and pre-opening costs.

HEADLINE PROFIT BEFORE TAXATION

Headline profit before taxation is defined as profit/loss before taxation before impairment of property, plant and equipment, impairment of goodwill and intangible assets, onerous lease costs, restructuring costs, costs of reverse acquisition, share based payments and pre-opening costs.

PRE-OPENING COSTS

The restaurant pre-opening costs represent costs incurred up to the date of opening a new restaurant that are written off to the profit and loss account in the period in which they are incurred.

EBITDA

EBITDA is defined as operating profit before depreciation and amortisation.

HEADLINE EBITDA

Headline EBITDA is defined as EBITDA before impairment of property, plant and equipment, impairment of goodwill and intangible assets, onerous lease costs, restructuring costs, costs of reverse acquisition, share based payments and pre-opening costs.

HEADLINE EPS

Headline EPS is defined in note 5.

1 OPERATING PROFIT

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Operating profit is stated after charging/(crediting):		
Staff costs (note 2)	2,979	2,792
Depreciation of property, plant and equipment	326	389
Amortisation of intangible assets	181	3
Operating lease rentals:		
– Land and buildings	777	891
Auditor's remuneration:		
– for statutory audit services	32	20
– for tax services	20	3
– for transactional services	75	–
Share based payments	194	60
Pre-opening costs	195	54
Loss on disposal of property, plant and equipment	2	16
Bad debt provision written back	(16)	(25)
Exceptional costs – reverse acquisition costs	374	–
	<u>2,979</u>	<u>2,792</u>

2 EMPLOYEES

	Nine months ended 29 March 2015 No.	Year ended 29 June 2014 No.
The average monthly number of persons (including Directors) employed by the company during the period was:		
Administration and management	4	3
Restaurants	227	176
	<u>231</u>	<u>179</u>

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Staff costs for above persons:		
Salaries and fees	2,582	2,546
Social security costs	190	186
Share based payments	194	60
Defined contribution pension costs	13	–
	<u>2,979</u>	<u>2,792</u>

2 EMPLOYEES (continued)

DIRECTORS' REMUNERATION

The remuneration of Directors, who are the key management personnel of the company, is set out in aggregate below. Further details of directors' emoluments can be found in the tables of directors' remuneration on pages 13 to 14.

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Salaries, fees and other short term employee benefits	336	291
Share based payments	24	41
	<u>360</u>	<u>332</u>

No directors exercised any share options in the period ended 29 March 2015 and no directors received any pension benefits.

Included above are fees paid to related parties for the provision of directors' services which are further described in note 21.

3 FINANCE COSTS

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Interest payable on bank loans and overdrafts	27	37
Interest payable on other loans	–	9
	<u>27</u>	<u>46</u>

4 INCOME TAX EXPENSE

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Based on the result for the period:		
UK corporation tax at 21% (2014: 23%)	164	282
Adjustment in respect of prior periods	(42)	(15)
Total current taxation	<u>122</u>	<u>267</u>
Deferred taxation:		
Origination and reversal of temporary timing differences	(4)	(6)
Total deferred tax	<u>(4)</u>	<u>(6)</u>
Total tax expense on profit on ordinary activities	<u><u>118</u></u>	<u><u>261</u></u>

Factors affecting tax charge for year:

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
Profit before taxation	<u>4</u>	<u>1,053</u>
Taxation at UK corporation tax rate of 21% (2014: 23%)	1	242
Expenses not deductible for tax purposes	80	3
Depreciation on non-qualifying fixed assets	39	17
Share based payments not previously recognised	42	14
Tax losses utilised not previously recognised	(2)	–
Adjustment to tax charge in respect of previous periods	(42)	(15)
Total income tax expense in the income statement	<u><u>118</u></u>	<u><u>261</u></u>

Factors that may affect tax charges are disclosed in note 15.

5 EARNINGS PER SHARE

	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000
(Loss)/profit for the purposes of basic and diluted earnings per share:	(118)	784
Share based payments	194	60
Deferred tax on share based payments	(8)	–
Pre-opening costs	195	54
Loss on disposal of property, plant and equipment	2	16
Exceptional costs – reverse acquisition costs	374	–
	<u>639</u>	<u>914</u>

Headline profit for the period for the purposes of headline basic and diluted earnings per share:

	Nine months ended 29 March 2015 No. '000	Year ended 29 June 2014 No. '000
Weighted average number of ordinary shares in issue for the purposes of basic earnings per share	287,113	222,255
Effect of dilutive potential ordinary shares from share options	17,606	–
	<u>304,719</u>	<u>222,255</u>

Weighted average number of ordinary shares in issue for the purposes of diluted earnings per share

Further details of the share options that could potentially dilute basic earnings per share in the future are provided in note 17.

	Nine months ended 29 March 2015	Year ended 29 June 2014
Earnings per share:		
Basic	(0.0p)	0.4p
Diluted	(0.0p)	0.4p
Headline Basic	0.2p	0.4p
Headline Diluted	<u>0.2p</u>	<u>0.4p</u>

THE FULHAM SHORE PLC
NOTES TO THE FINANCIAL STATEMENTS
for the 9 months ended 29 March 2015

6 INTANGIBLE ASSETS

Group	Trademarks, License and franchises £'000	Goodwill £'000	Total £'000
Cost			
30 June 2013	28	107	135
Additions	—	—	—
29 June 2014	28	107	135
On acquisition			
Additions (see note 22)	1,681	1,667	3,348
29 March 2015	1,709	1,774	3,483
Accumulated amortisation			
30 June 2013	7	—	7
Charge in the period	3	—	3
29 June 2014	10	—	10
Charge in the period	181	—	181
29 March 2015	191	—	191
Net book value			
29 March 2015	1,518	1,774	3,292
29 June 2014	18	107	125

Goodwill relates to the acquisition of The Real Greek Food Company Limited (“The Real Greek”) and the reverse acquisition of The Fulham Shore PLC by Kefi Limited. Further information for the reverse acquisition of The Fulham Shore PLC can be found in note 22.

THE FULHAM SHORE PLC
NOTES TO THE FINANCIAL STATEMENTS
for the 9 months ended 29 March 2015

7 PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold improvements £'000	Plant and equipment £'000	Furniture, fixtures and fittings £'000	Motor Vehicles £'000	Assets under construction £'000	Total £'000
Cost						
30 June 2013	3,442	188	301	30	–	3,961
Additions	436	104	40	–	3	583
Disposals	–	–	–	(30)	–	(30)
29 June 2014	3,878	292	341	–	3	4,514
On acquisition	147	72	31	–	–	250
Additions	573	93	42	–	470	1,178
Reclassification	3	–	–	–	(3)	–
29 March 2015	4,601	457	414	–	470	5,942
Accumulated depreciation						
30 June 2013	246	61	29	7	–	343
Charge in the period	263	70	49	–	–	382
Disposals	–	–	–	(7)	–	(7)
29 June 2014	509	131	78	–	–	718
Charge in the period	229	59	38	–	–	326
29 March 2015	738	190	116	–	–	1,044
Net book value						
29 March 2015	3,863	267	298	–	470	4,898
29 June 2014	3,369	161	263	23	3	3,796

THE FULHAM SHORE PLC
 NOTES TO THE FINANCIAL STATEMENTS
 for the 9 months ended 29 March 2015

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Parent Company	Leasehold improvements £'000	Plant and equipment £'000	Furniture, fixtures and fittings £'000	Total £'000
Cost				
31 March 2013	3	26	4	33
Additions	–	3	2	5
Reclassification	–	(2)	2	–
30 March 2014	3	27	8	38
Additions	–	1	–	1
29 March 2015	3	28	8	39
Accumulated depreciation				
31 March 2013	–	1	–	1
Charge in the period	1	7	1	9
30 March 2014	1	8	1	10
Charge in the period	1	8	1	10
29 March 2015	2	16	2	20
Net book value				
29 March 2015	1	12	6	19
30 March 2014	2	19	7	28

All depreciation charges have been recognised in administrative expenses in the income statement.

All non-current assets are located in the United Kingdom.

THE FULHAM SHORE PLC
NOTES TO THE FINANCIAL STATEMENTS
for the 9 months ended 29 March 2015

8 INVESTMENTS IN SUBSIDIARIES

	29 March 2015 £'000	30 March 2014 £'000
Parent Company		
Cost and net book value		
Opening position	–	–
Investment in subsidiary	14,261	–
Closing position	<u>14,261</u>	<u>–</u>

As at 29 March 2015, the Company had the following subsidiary undertakings:

Name of subsidiary	Class of Holding	Proportion of shares held, ownership interest and voting power	Nature of business
<i>Incorporated in England and Wales</i>			
FM98 LTD Limited	Ordinary	100%	Operation of restaurants
10DAS Limited*	Ordinary	100%	Operation of restaurants
Café Pitfield Limited*	Ordinary	100%	Dormant
Kefi Limited	Ordinary	99%	Management of restaurants
The Real Greek Food Company Limited*	Ordinary	99%	Operation of restaurants
The Real Greek Wine Company Limited*	Ordinary	99%	Dormant
Souvlaki & Bar Limited*	Ordinary	99%	Dormant
CHG Brands Limited*	Ordinary	99%	Dormant

* Held by subsidiary undertaking

9 INVENTORIES

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Raw materials and consumables	<u>261</u>	<u>215</u>	<u>–</u>	<u>–</u>

10 TRADE AND OTHER RECEIVABLES

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Included within non-current assets:				
Other receivables	332	276	–	–
	<u>332</u>	<u>276</u>	<u>–</u>	<u>–</u>
Included within current assets:				
Trade receivables	344	150	180	–
Amounts receivable from subsidiaries	–	–	1,897	770
Other receivables	34	13	–	–
Other taxation and social security costs	–	–	10	13
Prepayments and accrued income	794	495	65	6
	<u>1,172</u>	<u>658</u>	<u>2,152</u>	<u>789</u>
	<u><u>1,504</u></u>	<u><u>934</u></u>	<u><u>2,152</u></u>	<u><u>789</u></u>

Other receivables due after more than one year relate to rent deposits.

Receivables are denominated in sterling. The Board believes that the balances are recoverable in full and therefore no impairments are required.

The Group and Company hold no collateral against these receivables at the balance sheet date. The Directors consider that the carrying amount of receivables approximates to their fair value.

THE FULHAM SHORE PLC
NOTES TO THE FINANCIAL STATEMENTS
for the 9 months ended 29 March 2015

11 CASH AND CASH EQUIVALENTS

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
Cash at bank and in hand	3,889	1,614	98	1,051
Cash and cash equivalents as presented in the balance sheet	<u>3,889</u>	<u>1,614</u>	<u>98</u>	<u>1,051</u>

Bank balances comprise cash held by the company on a short term basis with maturity of three months or less. The carrying amount of these assets approximates their fair value.

12 TRADE AND OTHER PAYABLES

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
Included in current liabilities:				
Trade payables	1,560	1,028	37	6
Other taxation and social security payable	260	265	19	3
Other payables	88	87	—	—
Accruals and deferred income	828	541	135	34
	<u>2,736</u>	<u>1,921</u>	<u>191</u>	<u>43</u>

Trade payables were all denominated in sterling and comprise amounts outstanding for trade purchases and ongoing costs and are non-interest bearing.

The Directors consider that the carrying amount of trade payables approximate to their fair value.

13 BORROWINGS

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Short term borrowings:				
Bank loans	350	350	–	–
	350	350	–	–
Long term borrowings:				
Bank loans	510	773	–	–
Other loans	–	100	–	–
	510	873	–	–
	860	1,223	–	–

As at 29 June 2014, the Group's committed Sterling borrowing facilities comprises a bank loan facility of £860,000 (originally: £1,560,000) expiring between two and five years and a bank overdraft facility from HSBC Bank PLC which is secured by a mortgage debenture in favour of HSBC Bank PLC representing fixed or floating charges over all assets of the Group. The interest rate applicable on this bank loan is 2.50% above LIBOR.

As at 29 March 2015, the Group's committed Sterling borrowing facilities comprises a revolving credit facility of £6,000,000 expiring between two and five years and a bank overdraft facility from HSBC Bank PLC which is secured by a mortgage debenture in favour of HSBC Bank PLC representing fixed or floating charges over all assets of the Group. The interest rate applicable on this bank loan is 2.50% above LIBOR.

The bank overdraft is repayable on demand with interest being charged at 2.5% over base rate and is secured by a debenture giving fixed and floating charges over all assets of the Group.

Other loans comprise loan notes owed to certain shareholders and directors of Kefi Limited. Interest accrues at 7% per annum.

14 FINANCIAL INSTRUMENTS

The Group is exposed to the risks that arise from its use of financial instruments. The Group's finance function provides a centralised service to all Group businesses for funding, foreign exchange and interest rates management. Derivative instruments may be transacted solely for risk management purposes. The management consider that the key financial risk factors of the business are liquidity risks, market risk, foreign exchange risk and credit risk.

This note describes the objectives, policies and processes of the Group for managing those risks and the methods used to measure them.

Financial Assets and Liabilities

The Group had the following financial assets and liabilities:

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
<i>Non-current financial assets</i>				
Other receivables	332	276	–	–
<i>Current financial assets</i>				
Cash at bank and in hand	3,889	1,614	98	1,051
Trade and other receivables	378	163	2,077	770
	<u>4,599</u>	<u>2,053</u>	<u>2,175</u>	<u>1,821</u>
<i>Current financial liabilities</i>				
Bank loans	350	350	–	–
Trade and other payables	1,648	1,115	37	6
<i>Non-current financial liabilities</i>				
Bank loans	510	773	–	–
Other loans	–	100	–	–
	<u>2,508</u>	<u>2,338</u>	<u>37</u>	<u>6</u>

14 FINANCIAL INSTRUMENTS (continued)

The maturity analysis table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

For the period ended 29 March 2015

	Less than 1 year £'000	Between 1 and 5 years £'000	More than 5 years £'000	Total £'000
Cash at bank and in hand	3,889	–	–	3,889
Trade and other receivables	378	41	291	710
Bank loans	(350)	(510)	–	(860)
Trade and other payables	(1,648)	–	–	(1,648)
	<u>2,269</u>	<u>(469)</u>	<u>291</u>	<u>2,091</u>

For the period ended 29 June 2014

	Less than 1 year £'000	Between 1 and 5 years £'000	More than 5 years £'000	Total £'000
Cash at bank and in hand	1,614	–	–	1,614
Trade and other receivables	163	–	276	439
Bank loans	(350)	(773)	–	(1,123)
Other loans	–	(100)	–	(100)
Trade and other payables	(1,115)	–	–	(1,115)
	<u>312</u>	<u>(873)</u>	<u>276</u>	<u>(285)</u>

The financial instruments recognised on the balance sheets and shown above are all loans and receivables and financial liabilities.

Liquidity Risks

The Group had an un-drawn committed long term revolving credit facility facility of £6,000,000 (2014: £Nil) and short term bank overdraft facilities available to manage its liquidity as at 29 March 2015 of £500,000 (2014: £150,000).

14 FINANCIAL INSTRUMENTS (continued)

Market Risks

The Group's market risk exposure arises mainly from its floating interest rate interest bearing borrowings. Only the following financial assets and liabilities were interest bearing:

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
<i>Floating rate</i>				
Cash at bank and in hand	3,889	1,614	98	1,051
Bank loans	(860)	(1,123)	–	–
<i>Fixed rate</i>				
Other loans	–	(100)	–	–
	<u>3,029</u>	<u>391</u>	<u>98</u>	<u>1,051</u>

Trade and other receivables and trade and other payables are all non-interest bearing.

Weighted average interest rates paid for bank loans during the period ended 29 March 2015 were 3.0% and period ended 29 June 2014 were 3.1% and the weighted average interest rates paid for bank overdrafts during the period ended 29 March 2015 were 2.5% and period ended 29 June 2014 were 2.5%.

The interest rates accruing on other loans during the periods ended 29 June 2014 were 7.0%. Interest on the other loans are only payable on redemption of the loan notes.

The Group has derived a sensitivity analysis based on a 0.5% variance in LIBOR element of floating interest rates: The annualised impact of an increase in LIBOR by 0.5% applied to the balance of floating rate bank loans at the period end would be £4,000 (2014: £6,000).

Foreign Exchange Risks

During the periods ended 29 March 2015 and 29 June 2014, the Group did not receive or pay significant amounts denominated in foreign currencies. As purchasing from foreign franchised territories that is not denominated or agreed in Sterling increase to a significant level, the Group will implement a foreign exchange management policy.

Credit Risks

The Group's exposure to credit risk arises mainly from as follows:

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
Cash at bank and in hand	3,889	1,614	98	1,051
Trade receivables and other receivables	378	163	2,077	770
	<u>4,267</u>	<u>1,777</u>	<u>2,185</u>	<u>1,821</u>

14 FINANCIAL INSTRUMENTS (continued)

The majority of the Group's cash balances have been held in current accounts at HSBC Bank PLC during the periods ended 29 March 2015 and 29 June 2014 and did not earn any significant interest.

The majority of the Group's trade receivables are due for maturity within 7 days and largely comprise amounts receivable from credit and debit card clearing houses.

Fair Values of Financial Assets and Financial Liabilities

The fair value amounts of the Group's financial assets and liabilities as at 29 March 2015 and 29 June 2014 did not materially vary from the carrying value amounts.

15 DEFERRED TAXATION

Analysis of movements in net deferred tax balance during the period:

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Opening position	(196)	(202)	–	–
Arising on acquisition	(270)	–	–	–
Transfer to reserves	185	–	185	–
Transfer from profit and loss	4	6	8	–
Net deferred tax (liability)/asset	<u>(277)</u>	<u>(196)</u>	<u>193</u>	<u>–</u>

The Group's deferred taxation liability disclosed above relates to the following:

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Deferred tax assets				
Share options	193	–	193	–
Deferred taxation assets	<u>193</u>	<u>–</u>	<u>193</u>	<u>–</u>
Deferred tax liabilities				
Accelerated capital allowances	250	196	–	–
Intangible assets	220	–	–	–
Deferred taxation liabilities	<u>470</u>	<u>196</u>	<u>–</u>	<u>–</u>

15 DEFERRED TAXATION (continued)

The Company has losses of £283,000 (2014: £266,000) which, subject to agreement with HM Revenue & Customs, are available to offset against the Company's future profits. A deferred taxation asset in respect of these losses of £57,000 (2014: £53,000) has not been recognised in the financial statements. Although the directors are confident that the Company will achieve future profitability in line with current expectations, the timing of such profits is uncertain and therefore the directors have not recognised the entire deferred tax asset. The Directors have recognised deferred tax assets in relation to the share based payment charge recognised in the year as such deferred tax asset may be used against future group tax relief.

16 SHARE CAPITAL

	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
Allotted, issued called up and fully paid: 332,513,500 (2014: 83,508,600) ordinary shares of 1p each	3,325	835	3,325	835

The Company has one class of ordinary share which carries no rights to fixed income.

On 30 April 2013, the Company issued 14,500,000 Ordinary Shares of £0.01 each at £0.04 per Ordinary Share, credited as fully paid.

On 25 February 2014, a further 13,210,000 Ordinary Shares of £0.01 were issued by the Company and were allotted for cash at £0.05 per Ordinary Share, credited as fully paid.

On 20 October 2014, a further 26,749,900 Ordinary Shares of £0.01 were issued by the Company and were allotted for cash at £0.06 per Ordinary Share, credited as fully paid and a further 222,255,000 Ordinary Shares of £0.01 were issued by the Company at £0.06 per Ordinary Share as consideration to acquire 99.04% of the issued share capital of Kefi Limited.

17 SHARE BASED PAYMENTS

The Group currently uses a number of equity settled share plans to grant options to its Directors and employees.

The Group operates two share option plans:

- The Fulham Shore Enterprise Management Incentive ("EMI") Share Option Plan;
- The Fulham Shore Unapproved Share Option Plan

The Group's Share Option Plans provide for a grant price equal to the market price of the Company shares on the date of grant. The vesting period on all Share Option Plans is 3 years with an expiration date 7 years from the date of grant. Furthermore, share options are forfeited if the employee leaves the Group before the options vest unless forfeiture is waived at the discretion of the Remuneration Committee, if established, or the Board.

17 SHARE BASED PAYMENTS (continued)

Kefi Limited also operated two share option plans:

- Kefi Enterprise Management Incentive ("Kefi EMI") Share Option Plan;
- Kefi Unapproved Share Option Plan

As part of the reverse acquisition, all outstanding share options in Kefi Limited under both the Kefi EMI and the Kefi Unapproved Share Option Plan were exercised on the date of acquisition.

Outstanding share options under The Fulham Shore Enterprise Management Incentive Share Option Plan and The Fulham Shore Unapproved Share Option Plan to acquire ordinary shares of 1 pence each as at 29 March 2015 are as follows:

	Nine months ended 29 March 2015 '000	Year ended 29 June 2014 '000
At the beginning of the period	6,681	3,348
Granted during the period	23,246	3,333
At the end of the period	<u>29,927</u>	<u>6,681</u>
	Nine months ended 29 March 2015 £	Year ended 29 June 2014 £
At the beginning of the period	0.03	0.02
Granted during the period	0.06	0.05
At the end of the period	<u>0.05</u>	<u>0.03</u>

THE FULHAM SHORE PLC
 NOTES TO THE FINANCIAL STATEMENTS
 for the 9 months ended 29 March 2015

17 SHARE BASED PAYMENTS (continued)

Outstanding and exercisable share options to acquire ordinary shares of 1 pence each as at 29 March 2015 under The Fulham Shore PLC EMI Share Option Scheme and The Fulham Shore PLC Unapproved Share Option Scheme are as follows:

For the year ended 29 March 2015

Range of exercise prices	Options outstanding			Options exercisable		
	Number of shares '000	Weighted average exercise price £	Weighted average remaining contractual life months	Number of shares '000	Weighted average exercise price £	Weighted average remaining contractual life months
EMI						
£0.02	2,232	0.02	71	–	–	–
£0.05	2,779	0.05	83	–	–	–
	<u>5,011</u>	<u>0.04</u>	<u>79</u>	<u>–</u>	<u>–</u>	<u>–</u>
Unapproved						
£0.02	1,116	0.02	71	–	–	–
£0.05	554	0.05	83	–	–	–
	<u>1,670</u>	<u>0.03</u>	<u>75</u>	<u>–</u>	<u>–</u>	<u>–</u>

For the year ended 30 March 2014

Range of exercise prices	Options outstanding			Options exercisable		
	Number of shares '000	Weighted average exercise price £	Weighted average remaining contractual life months	Number of shares '000	Weighted average exercise price £	Weighted average remaining contractual life months
EMI						
£0.02	2,232	0.02	71	–	–	–
£0.05	2,779	0.05	83	–	–	–
	<u>5,011</u>	<u>0.04</u>	<u>79</u>	<u>–</u>	<u>–</u>	<u>–</u>
Unapproved						
£0.02	1,116	0.02	71	–	–	–
£0.05	554	0.05	83	–	–	–
	<u>1,670</u>	<u>0.03</u>	<u>75</u>	<u>–</u>	<u>–</u>	<u>–</u>

During the year ended 29 March 2015, the market price of ordinary shares in the Company ranged from £0.07 (2014: £0.07) to £0.225 (2014: £0.115). The share price as at 29 March 2015 was £0.1325 (2014: £0.115).

17 SHARE BASED PAYMENTS (continued)

The fair value of the options is estimated at the date of grant using a Black-Scholes valuation model.

Expected life of options used in the model is based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Expected volatility was determined by calculating the historical 90 days volatility of the Group's share price over the previous 180 days. The inputs to the Black Scholes model were as follows:

	Year ended 29 March 2015	Year ended 30 March 2014
Weighted average expected life	3 years	3 years
Weighted average exercise price	6 pence	5 pence
Risk free rate	0.50%	0.40%
Expected volatility	6.8%	21.9%

Outstanding share options under the Kefi Enterprise Management Incentive Share Option Plan and the Kefi Unapproved Share Option Plan to acquire ordinary shares of 0.001 pence each in Kefi Limited as at 29 March 2015 are as follows:

	Nine months ended 29 March 2015 '000	Year ended 29 June 2014 '000
At the beginning of the period	1,400	455
Granted during the period	–	1,000
Lapsed during the period	(990)	(55)
Exercised during the period	(410)	–
At the end of the period	–	1,400

17 SHARE BASED PAYMENTS (continued)

Weighted average exercise price	Nine months ended 29 March 2015 £	Year ended 29 June 2014 £
At the beginning of the period	0.45	0.26
Granted during the period	–	0.52
Lapsed during the period	(0.45)	(0.26)
Exercised during the period	(0.45)	–
At the end of the period	<u>–</u>	<u>0.45</u>

The total charge for each period relating to employee share-based payments plans is disclosed in note 2, all of which relates to the above equity-based transactions.

Warrants

Outstanding share warrants in the Company to acquire ordinary shares of 1 pence each as at 29 March 2015 are as follows:

	29 March 2015 '000	30 March 2014 '000
At the beginning of the year	1,116	1,116
Granted during the year	<u>–</u>	<u>–</u>
At the end of the year	<u>1,116</u>	<u>1,116</u>

The warrants are exercisable at 2 pence per ordinary shares until February 2017.

18 NOTE TO CASH FLOWS STATEMENTS

	Group		Parent company	
	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
Reconciliation of net cash flows from operating activities				
Profit/(loss) before taxation	4	1,053	(458)	(206)
Adjustments				
Finance income	(6)	–	(2)	–
Finance costs	27	46	4	–
Depreciation and amortisation	507	392	10	9
Loss on disposal of fixed assets	2	16	–	–
Share based payments expense	194	60	33	7
Cost of reverse acquisition	374	–	–	–
Operating cash flows before movements in working capital	1,102	1,567	(413)	(190)
Increase in inventories	(23)	(35)	–	–
Increase in trade and other receivables	(230)	(47)	(1,363)	(752)
Increase/(decrease) in trade and other payables	214	292	148	(19)
Cash generated from operations	1,063	1,777	(1,628)	(961)
Income taxes paid/(received)	35	(197)	–	–
Net cash flow from operating activities	<u>1,098</u>	<u>1,580</u>	<u>(1,628)</u>	<u>(961)</u>
	Group		Parent	
	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
Cash flow from acquisition of subsidiaries				
Cash and cash equivalents acquired with subsidiaries*	2,987	–	–	–
Cost of reverse acquisition	(374)	–	(374)	–
Cost of acquisition of subsidiary	–	–	(552)	–
Net cash flow from acquisition of subsidiaries	<u>2,613</u>	<u>–</u>	<u>(927)</u>	<u>–</u>

* net of £552,000 payment towards the Kefi share options (see note 22).

19 COMMITMENTS UNDER OPERATING LEASES

The Group had aggregate minimum lease payments under non-cancellable operating leases which fall due as follows:

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
Land and buildings				
within one year	1,440	890	–	–
in two to five years	5,368	3,381	–	–
after five years	12,932	8,099	–	–
	<u>19,740</u>	<u>12,370</u>	<u>–</u>	<u>–</u>
Others				
within one year	4	4	–	–
	<u>4</u>	<u>4</u>	<u>–</u>	<u>–</u>
	<u>19,744</u>	<u>12,374</u>	<u>–</u>	<u>–</u>

Included above are certain annual lease commitments relating to a subsidiary company that have been guaranteed by the parent company.

Operating lease payments for land and buildings represent rent payable by the Group for a restaurant property. Leases either negotiated as a new lease or acquired through lease assignment have an average term of 20 years and rentals are fixed for an average of 5 years.

20 CAPITAL COMMITMENTS

The Group capital expenditure contracted for but not provided in the financial statements as follows:

	29 March 2015 £'000	Group 29 June 2014 £'000	29 March 2015 £'000	Parent company 30 March 2014 £'000
Committed new restaurant builds	<u>60</u>	<u>–</u>	<u>–</u>	<u>–</u>

21 RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Group is provided in the Report on Directors Remuneration on pages 12 to 15, and in note 2. Details of share options granted to Directors are also shown in the Report on Directors Remuneration.

Other related party transactions

During the period ended 29 June 2014, the Group repaid the loan of £100,000 and accrued interest outstanding to DM Page, a director of the Company and Kefi Limited. As at the period ended 29 March 2015 no loan balance was outstanding to David Page (2014: £100,000).

During the period, the Group provided restaurant management services to the following companies in which DM Page and NAG Mankarious are directors and shareholders:

Amounts invoiced (including VAT)	Group		Parent company	
	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
Meatailer Limited	3	23	–	–
The Fulham Shore PLC	–	15	–	–
Bukowski Limited	28	41	–	–
Dellasud Limited	1	7	–	–
Franco Manca 2 Limited	1	23	–	–
Wild Food Ideas Limited	25	13	–	–
Wishbone Brixton Limited	–	14	–	–
Room 307 Limited	11	–	–	–
	<u>69</u>	<u>136</u>	<u>–</u>	<u>–</u>

Amounts outstanding at period end	Group		Parent company	
	29 March 2015 £'000	29 June 2014 £'000	29 March 2015 £'000	30 March 2014 £'000
Meatailer Limited	1	(8)	–	–
The Fulham Shore PLC	–	–	–	–
Bukowski Limited	13	10	–	–
Dellasud Limited	–	1	–	–
Franco Manca 2 Limited	–	2	–	–
Wild Food Ideas Limited	4	10	–	–
Wishbone Brixton Limited	–	16	–	–
Room 307 Limited	1	–	–	–
	<u>19</u>	<u>31</u>	<u>–</u>	<u>–</u>

21 RELATED PARTY DISCLOSURES (continued)

The balance due from Wishbone Brixton Limited of £Nil (2014: £16,000) was provided for in full as at 29 June 2014 and the provision was released during the period. No other amounts are provided against.

During the period, the Group was invoiced £15,000 (2014: £18,000) for the services of NJ Donaldson by London Bridge Capital Limited, a company in which NJ Donaldson is a director, and the balance outstanding at 29 March 2015 was £Nil (2014: £Nil).

During the period, the Group was invoiced £84,000 (2014: £177,000) for the services of NAG Mankarious by Nabster Consultancy Ltd, a company in which NAG Mankarious is a director. The balance outstanding at 29 March 2015 was £Nil (2014: £12,000).

During the period, the Company was invoiced £81,000 (2014: £Nil) for restaurant management services by Room 307 Limited, a company in which NAG Mankarious and NCW Wong are directors and DM Page, NAG Mankarious and NCW Wong are shareholders. The balance outstanding at 29 March 2015 was £13,000 (2014: £Nil).

During the period the Company was invoiced £10,000 (2014: £Nil) for information technology services by Restaurants IT Limited, a company in which NCW Wong is a director and DM Page, NAG Mankarious and NCW Wong are shareholders. The balance outstanding at 29 March 2015 was £1,000 (2014: £Nil).

During the period, the Company was invoiced £Nil (2014: £9,000) by Egytal Ltd, a company in which T French (wife of NAG Mankarious) is a director and shareholder. The balance outstanding at 29 March 2015 was £Nil (2014: £Nil).

During the year ended 29 March 2015, the Group operated, on normal commercial terms, a franchise of Franco Manca granted by Franco Manca 2 UK Limited, a company in which DM Page and NAG Mankarious are directors. The Group was invoiced franchise fees of £127,000 (2014: £27,000) plus VAT and setup costs of £Nil (2014: £62,000) plus VAT by Franco Manca 2 UK Limited during the year and the balance outstanding at 29 March 2015 was £20,000 (2014: £9,000). At 29 March 2015, Franco Manca 2 UK Limited owed the Group £Nil (2014: £10,000).

Transactions between the Company and its subsidiaries

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. During the year, the Company provided restaurant management services to the following subsidiaries:

Amounts invoiced (including VAT)	Group		Parent company	
	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
FM98 LTD Limited	–	–	30	–
The Real Greek Food Company Limited	–	–	180	–
	–	–	210	–
	<u>–</u>	<u>–</u>	<u>210</u>	<u>–</u>

21 RELATED PARTY DISCLOSURES (continued)

During the year the Company also loaned amounts to the following subsidiaries:

Amounts loaned	Group		Parent company	
	Nine months ended 29 March 2015 £'000	Year ended 29 June 2014 £'000	Year ended 29 March 2015 £'000	Year ended 30 March 2014 £'000
FM98 LTD Limited	–	–	130	770
10DAS Limited	–	–	153	–
The Real Greek Food Company Limited	–	–	635	–
	<u>–</u>	<u>–</u>	<u>918</u>	<u>770</u>
	<u>–</u>	<u>–</u>	<u>918</u>	<u>770</u>
Amounts outstanding at period end				
	29 March 2015 £'000	Group 29 June 2014 £'000	Parent company 29 March 2015 £'000	Parent company 30 March 2014 £'000
FM98 LTD Limited	–	–	930	770
10DAS Limited	–	–	153	–
The Real Greek Food Company Limited	–	–	815	–
	<u>–</u>	<u>–</u>	<u>1,898</u>	<u>770</u>
	<u>–</u>	<u>–</u>	<u>1,898</u>	<u>770</u>

The Company is a legal guarantor and a party to an agreement in which 10DAS Limited, a subsidiary company, entered into a new lease to acquire a restaurant space. The total potential aggregate minimum lease payments under this guarantee at the end of the period was £1,837,000 (2014: £Nil). This commitment is included in the Group disclosure in note 19.

22 REVERSE ACQUISITION

With effect from 20 October 2014, the Company became the legal parent of Kefi Limited. The aggregate consideration for the acquisition was £13,887,570 satisfied by the initial issue of 222,255,000 new ordinary shares of the Company issued at 6p per ordinary share and £552,270 cash.

Due to the relative values of the companies, the Kefi shareholders became the majority shareholders with approximately 66.84% of the share capital of the enlarged group at the time of the transaction.

The fair value of the assets and liabilities acquired are as follows:

	20 October 2014 £'000
Intangible assets	1,681
Property, plant and equipment	252
Inventories	24
Trade and other receivables	893
Cash and cash equivalents	2,987
Trade and other payables	(600)
Income tax payables	(17)
Deferred tax liabilities	(271)
Total identifiable net assets	<u>4,949</u>
Goodwill on acquisition of the Company	<u>1,667</u>
Total consideration	<u><u>6,616</u></u>

Total consideration

Total consideration above is calculated based on the total number of shares in the Company excluding the consideration shares issued as part of the transaction at the date of the transaction 110,258,500 multiplied by the market price at the time of 6p.

Cost of acquisition

The cost of acquiring Kefi Limited, totalling £374,000, has been recognised in the consolidated statement of comprehensive income.

Intangible assets

The Intangible assets acquired through the reverse acquisition, at the date of the reverse acquisition relate the franchise agreement relating to the Group's Franco Manca restaurant at Tottenham Court Road, London.

The fair value of the intangible assets was determined using discounted cash flow models. The key assumptions for the valuation method are those regarding future cash flows, tax rates and discount rates. The cash flow projections are based on management forecasts for the next four years period.

22 REVERSE ACQUISITION (continued)

Deferred tax liabilities

A deferred tax liability was recognised due to the temporary difference arising from the recognition of the intangible assets acquired through the reverse acquisition. The deferred tax liability has been measured at 20%, the tax rate that is expected to apply over the useful economic life of the intangible asset.

Goodwill

The goodwill recognised relates to the value of the listing acquired.

Results of the accounting acquiree

The results of the accounting acquiree have been included in the consolidated statement of comprehensive income since the acquisition date and has generated revenue of £846,000 and a net loss for the period of £29,000. If the accounting acquiree had been a member of the Group from the beginning of the period, it would have generated revenues of £1,957,000 and net profit for the period of £15,000.

23 SUBSEQUENT EVENTS

Acquisition of Franco Manca Holdings Limited (formerly Rocca Limited)

On 21 April 2015, the Group acquired 99% of the issued share capital of Franco Manca Holdings Limited (formerly Rocca Limited) for a consideration of £27,465,054 made up of £6,184,677 in cash and £21,280,377 by the issue of 193,457,975 ordinary shares in the Company at 11p each. Franco Manca Holdings Limited owns 100% of the share capital of Franco Manca 2 UK Limited, the company that owns and operates Franco Manca restaurants and is franchisor of the current Franco Manca restaurant operated by the Company's subsidiary FM98 LTD Limited.

The transaction was a related party transaction as DM Page, NAG Mankarious, NJ Donaldson and NCW Wong, who are directors of the Company are also shareholders of Franco Manca Holdings Limited and both DM Page and NAG Mankarious are directors of Franco Manca Holdings Limited.

This acquisition is in line with the strategy stated by the Company at the time of its admission to AIM and the Directors believe that it represents a major step forward in the implementation of that strategy.

The initial accounting for the business combination is not yet complete at the date that these financial statements are authorised for issue.

Completion of subscription and placing

On 21 April 2015, the Group completed a fund raising of £4,750,000 (before expenses) by way of a subscription and placing of 25,000,000 ordinary shares in the Company and 18,181,818 ordinary shares in the Company respectively at 11p each.

24 RECONCILIATION OF IFRS TO UK GAAP

As a result of the reverse acquisition accounting as described above, the comparatives, which represents Kefi Limited, of the Group's Annual Report for the year ended 29 June 2014 are prepared under IFRS. These financial statements have been prepared in accordance with the significant accounting policies described on pages 23 to 29 above. Pre-acquisition, Kefi Limited reported its results under UK GAAP.

IMPACT OF CONVERSION TO IFRS

The following is a summary of the effects of the differences between IFRS and UK GAAP on the Group's total equity shareholders' funds and profit for the comparative period previously reported under UK GAAP following the date of transition to IFRS.

Total equity shareholders' funds	29 June 2014 £'000	30 June 2013 £'000
Total equity shareholders' funds (UK GAAP)	3,054	2,194
Goodwill	16	11
Lease inducements	(42)	(29)
Total equity shareholders' funds (IFRS)	<u>3,028</u>	<u>2,176</u>
Profit for the year	Year ended 29 June 2014 £'000	Year ended 30 June 2013 £'000
Profit for the year (UK GAAP)	800	550
Goodwill	5	5
Lease inducements	(13)	(14)
Profit for the year (IFRS)	<u>792</u>	<u>541</u>

FINANCIAL DIFFERENCES BETWEEN IFRS AND UK GAAP

Measurement and recognition differences.

a. Goodwill

IAS 36 (Impairment of Assets) requires that goodwill is not amortised but be subject to an annual impairment review. As the Group has adopted this accounting policy under UK GAAP in previous periods, there is no resultant adjustment to goodwill other than the reversal of the amortisation of goodwill of £5,000 per annum.

24 RECONCILIATION OF IFRS TO UK GAAP (continued)

IFRS 3 (Business Combinations) requires that, when businesses are acquired, any separable intangible assets acquired with the business are valued and capitalised as an intangible asset if the fair value can be measured reliably. Any residual difference between the consideration paid or payable and the net fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. IFRS 3 also requires that goodwill is not amortised but is instead subject to an annual impairment review.

b. Lease inducements

Under UK GAAP, the Group recognised rent-free periods and capital contributions from landlords on new property leases over the period to the commencement of the first rent review. Under IFRS, lease incentives are spread over the full term of the lease. As at the date of the transition, additional deferred income reflecting the amount of lease inducements to be taken in the income statement in future periods has been recognised.

Presentational differences.

c. Trade and other receivables

Under IFRS, long term receivables are shown as non-current assets whereas under UK GAAP, all receivables were shown as current assets. As shown in the reconciliations below, 2014: £276,000 (2013: £234,000) were transferred from current trade and other receivables and non-current trade and other receivables.

RECONCILIATIONS

To explain the impact of the transition, the reconciliations have been included that show the changes made to the balance sheets and income statements previously reported under UK GAAP. The following reconciliations are included:

- Reconciliation of the UK GAAP Consolidated Statement of Financial Position to the IFRS consolidated balance sheet as at 30 June 2013;
- Reconciliation of the UK GAAP Consolidated Statement of Financial Position to the IFRS consolidated balance sheet as at 29 June 2014; and
- Reconciliation of the UK GAAP Consolidated Statement of Comprehensive Income to the IFRS consolidated income statement for the year ended 29 June 2014.

The consolidated cash flow statements are not affected by the transition from UK GAAP to IFRS other than presentational and formatting differences.

24 RECONCILIATION OF IFRS TO UK GAAP (continued)

Reconciliation of the UK GAAP Consolidated Statement of Financial Position to the IFRS Consolidated Statement of Financial Position:

30 June 2013	30 June 2013 UK GAAP £'000	Presentational differences £'000	Measurement and recognition differences £'000	30 June 2013 IFRS £'000
Non-current assets				
Intangible assets	117	–	11	128
Property, plant and equipment	3,618	–	–	3,618
Trade and other receivables	–	234	–	234
	<u>3,735</u>	<u>234</u>	<u>11</u>	<u>3,980</u>
Current assets				
Inventories	180	–	–	180
Trade and other receivables	887	(234)	–	653
Cash and cash equivalents	983	–	–	983
	<u>2,050</u>	<u>(234)</u>	<u>–</u>	<u>1,816</u>
Total assets	<u>5,785</u>	<u>–</u>	<u>11</u>	<u>5,796</u>
Current liabilities				
Trade and other payables	(1,600)	–	(29)	(1,629)
Income tax payables	(246)	–	–	(246)
Borrowings	(350)	–	–	(350)
	<u>(2,196)</u>	<u>–</u>	<u>(29)</u>	<u>(2,225)</u>
Net current liabilities	<u>(146)</u>	<u>(234)</u>	<u>(29)</u>	<u>(409)</u>
Non-current liabilities				
Borrowings	(1,193)	–	–	(1,193)
Deferred tax liabilities	(202)	–	–	(202)
	<u>(1,395)</u>	<u>–</u>	<u>–</u>	<u>(1,395)</u>
Total liabilities	<u>(3,591)</u>	<u>–</u>	<u>(29)</u>	<u>(3,620)</u>
Net assets	<u>2,194</u>	<u>–</u>	<u>(18)</u>	<u>2,176</u>
Equity				
Share capital	703	–	–	703
Share premium	790	–	–	790
Reverse acquisition reserve	(62)	–	–	(62)
Retained earnings	763	–	(18)	745
Total equity attributable to owners of the company	<u>2,194</u>	<u>–</u>	<u>(18)</u>	<u>2,176</u>

24 RECONCILIATION OF IFRS TO UK GAAP (continued)

Reconciliation of the UK GAAP Consolidated Statement of Financial Position to the IFRS Consolidated Statement of Financial Position:

29 June 2014	29 June 2014 UK GAAP £'000	Presentational differences £'000	Measurement and recognition differences £'000	29 June 2014 IFRS £'000
Non-current assets				
Intangible assets	109	–	16	125
Property, plant and equipment	3,796	–	–	3,796
Trade and other receivables	–	276	–	276
	<u>3,905</u>	<u>276</u>	<u>16</u>	<u>4,197</u>
Current assets				
Inventories	215	–	–	215
Trade and other receivables	934	(276)	–	658
Cash and cash equivalents	1,614	–	–	1,614
	<u>2,763</u>	<u>(276)</u>	<u>–</u>	<u>2,487</u>
Total assets	<u>6,668</u>	<u>–</u>	<u>16</u>	<u>6,684</u>
Current liabilities				
Trade and other payables	(1,879)	–	(42)	(1,921)
Income tax payables	(316)	–	–	(316)
Borrowings	(350)	–	–	(350)
	<u>(2,545)</u>	<u>–</u>	<u>(42)</u>	<u>(2,587)</u>
Net current assets/(liabilities)	<u>218</u>	<u>(276)</u>	<u>(42)</u>	<u>(100)</u>
Non-current liabilities				
Borrowings	(873)	–	–	(873)
Deferred tax liabilities	(196)	–	–	(196)
	<u>(1,069)</u>	<u>–</u>	<u>–</u>	<u>(1,069)</u>
Total liabilities	<u>(3,614)</u>	<u>–</u>	<u>(42)</u>	<u>(3,656)</u>
Net assets	<u>3,054</u>	<u>–</u>	<u>(26)</u>	<u>3,028</u>
Equity				
Share capital	835	–	–	835
Share premium	1,313	–	–	1,313
Reverse acquisition reserve	(717)	–	–	(717)
Retained earnings	1,623	–	(26)	1,597
Total equity attributable to owners of the company	<u>3,054</u>	<u>–</u>	<u>(26)</u>	<u>3,028</u>

24 RECONCILIATION OF IFRS TO UK GAAP (continued)

Reconciliation of the UK GAAP Consolidated Statement of Comprehensive Income to IFRS Consolidated Statement of Comprehensive Income:

Year ended 29 June 2014	Year ended 29 June 2014 UK GAAP £'000	Measurement And Recognition Differences £'000	Year ended 29 June 2014 IFRS £'000
Revenue	8,646	–	8,646
Cost of sales	(4,688)	–	(4,688)
Gross profit	3,958	–	3,958
Administrative expenses	(2,721)	(8)	(2,729)
Headline operating profit	1,237	(8)	1,229
Share based payments	(60)	–	(60)
Pre-opening costs	(54)	–	(54)
Loss on disposal of property, plant and equipment	(16)	–	(16)
Operating profit	1,107	(8)	1,099
Finance costs	(46)	–	(46)
Profit before taxation	1,061	(8)	1,053
Income tax expense	(261)	–	(261)
Profit for the year attributable to owners of the company	800	(8)	792

THE FULHAM SHORE PLC
DIRECTORS, OFFICERS AND ADVISERS

DIRECTORS

DM Page	Chairman
NAG Mankarious	Managing Director
NJ Donaldson	Director
NCW Wong	Finance Director
MA Chapman	Non-executive Director

COMPANY SECRETARY

NJ Donaldson

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BANKERS

HSBC Bank PLC
70 Pall Mall
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SW1Y 5EY

THE FULHAM SHORE PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 10.00am on 28 August 2015 at Franco Manca Covent Garden, 39 Maiden Lane, London, WC2E 7LJ to consider, and if thought fit, pass the following resolutions. Resolutions 1, 2, 3, 4 and 5 shall be proposed as ordinary resolutions and resolution 6 as a special resolution:

ORDINARY RESOLUTIONS

1. to receive and adopt the Report of the Directors, the financial statements and the report of the auditors for the period ended 29 March 2015.
2. to receive and approve the Report on Directors' Remuneration for the period ended 29 March 2015.
3. to re-appoint Mr Nabil Ayad Gerges Mankarious, who retires by rotation under the Company's Articles of Association as a director of the Company.
4. to re-appoint Baker Tilly UK Audit LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which financial statements are laid before the Company and to authorise the Directors to determine their remuneration.
5. in accordance with section 551 of the Companies Act 2006, the directors of the Company (the "Directors") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company with the meaning of that section on and subject to such terms as the Directors may determine up to an aggregate nominal amount of £2,845,766.00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the Company's next annual general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

6. subject to and conditional upon the passing of resolution 5 and in accordance with section 570 of the Companies Act 2006 (the "Act"), the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 5, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £853,730.00. This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

BY ORDER OF THE BOARD

NAG Mankarious

Director
307-308 Linton House
164-180 Union Street
London SE1 0LH

30 July 2015

Notes

1. Shareholders entitled to attend and vote at the AGM may appoint a proxy or proxies to attend and speak on their behalf. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company.
2. To appoint more than one proxy you may photocopy the proxy form which accompanies this notice. Investors who hold their shares through a nominee may wish to attend the AGM as a proxy, or to arrange for someone else to do so for them, in which case they should discuss this with their nominee or stockbroker.

THE FULHAM SHORE PLC

NOTICE OF ANNUAL GENERAL MEETING

3. Completion of the proxy form will not prevent a shareholder from attending and voting at the AGM if subsequently he/she finds they are able to do so. To be effective, it must be deposited at Equiniti David Venus Limited (trading as SLC Registrars), 42-50 Hersham Road, Walton-on-Thames, Surrey, KT12 1RZ by not later than 10:00am on 26 August 2015 or, in the case of an adjournment, 48 hours prior to the time of the adjourned AGM (Saturdays and Public Holidays excluded).
4. Representatives of shareholders which are corporations attending the AGM should produce evidence of their appointment by an instrument executed in accordance with section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 36 of the Company's Articles of Association.
5. In order to facilitate voting by corporate representatives at the AGM, arrangements will be put in place at the AGM so that (i) if a corporate shareholder has appointed the chairman of the AGM as its corporate representative to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the AGM, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the AGM but the corporate shareholder has not appointed the chairman of the AGM as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure.
6. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those holders of ordinary shares in the capital of the Company registered in the register of members of the Company at 10:00am on 26 August 2015 (being 48 hours prior to the time fixed for the AGM) shall be entitled to attend and vote at the AGM in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after 10:00am on 26 August 2015 shall be disregarded in determining the rights of any person to attend or vote at the AGM.
7. Details of those Directors seeking re-election are given on page 4 of the Report and Financial Statements. The details of the service contracts for the Executive Directors are set out in the Report on Directors' Remuneration on pages 12 to 15 of the Report and Financial Statements. The Register of Directors' Interests and the Directors' service agreements will be available for inspection during usual business hours on any weekday (Saturdays and Public Holidays excluded) at the registered office of the Company until the date of the Annual General Meeting and at the place of the meeting for 15 minutes prior to and until the termination of the meeting.

