

Registered number: 04627313

**THE SIMPLY SMART GROUP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2017**

WEDNESDAY



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**THE SIMPLY SMART GROUP LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Sir F H Mackay B H C Watson
<b>Company secretary</b>	B H C Watson
<b>Registered number</b>	04627313
<b>Registered office</b>	Devon House Anchor Street Chelmsford Essex CM2 0GD
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Ipswich
<b>Bankers</b>	The Royal Bank of Scotland Leeds LS1 5QB

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**THE SIMPLY SMART GROUP LIMITED**

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## THE SIMPLY SMART GROUP LIMITED

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### STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017

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#### Business review

The Simply Smart Group Limited is the parent of a group engaged in the provision of contract catering services and high quality event catering services.

The company did not trade during the year.

#### Principal risks and uncertainties, and financial risk management policies and objectives

The company has identified the principal risks that it faces as:

#### Financial instrument risks

The company's principal financial instruments comprise intra group balances. The company does not enter into derivative transactions.

#### Financial key performance indicators

The company does not trade and therefore the directors consider there to be no key performance indicators.

#### Going concern

The financial statements show the company with positive net assets but net current liabilities. The financial statements have been prepared on a going concern basis, which assumes that the company has sufficient resources to enable it to continue operating and to meet its liabilities as they fall due. The directors believe the going concern assumption to be appropriate for the reasons set out below.

As part of the Graysons Hospitality group's banking arrangements, the company has entered into multi-lateral guarantee with the other companies in the group and as such the ultimate parent undertaking has pledged, in the ordinary course of business, to continue to offer financial support for the foreseeable future and confirmed this in writing to the directors in a letter of support.

The group directors have prepared cash flow forecasts for 18 months from the date of signing these financial statements. The directors believe the forecasts to be prudent and have been sensitised to take account of known and potential risks. The underlying assumption for the purposes of these forecasts is that the group will continue to trade at a similar level to that of its current position. Given the contractual nature of the group's business and based on the historical trading of those elements that are not contractual, the directors consider this assumption to be reasonable. These forecasts demonstrate the ability of the group to operate well within its existing facilities.

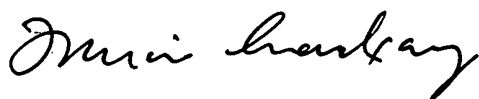
Further to this the group continues to be very active in tendering for new contracts and as a result of that activity reasonably expects to gain further new business following recent contract additions in 2017 but is not reliant upon this to support the basis of preparation of the forecasts.

For the reasons laid out above the Board continues to adopt the going concern basis in preparing these financial statements.

This report was approved by the board on

25/7/18

and signed on its behalf.



Sir F H Mackay  
Director

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## THE SIMPLY SMART GROUP LIMITED

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### DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017

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The directors present their report and the financial statements for the period ended 31 December 2017.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

#### **Results and dividends**

The profit for the period, after taxation, amounted to £215 thousand (2016 - £NIL).

#### **Directors**

The directors who served during the period were:

Sir F H Mackay  
B H C Watson

#### **Matters covered in the strategic report**

Financial instruments are discussed in the Strategic report.

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THE SIMPLY SMART GROUP LIMITED

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DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2017

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**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors 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 the company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

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

This report was approved by the board on

25/7/18

and signed on its behalf.



Sir F H Mackay  
Director



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SIMPLY SMART GROUP LIMITED

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### Opinion

We have audited the financial statements of The Simply Smart Group Limited for the period ended 31 December 2017, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Who we are reporting to

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.



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SIMPLY SMART GROUP  
LIMITED (CONTINUED)**

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**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- 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; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.





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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SIMPLY SMART GROUP  
LIMITED (CONTINUED)**

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**Matter on which we are required to report by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

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

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SIMPLY SMART GROUP  
LIMITED (CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

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

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

*Grant Thornton UK LLP*

James Brown LLB ACA (Senior statutory auditor)

for and on behalf of  
**Grant Thornton UK LLP**

Chartered Accountants  
Statutory Auditor

Ipswich

Date:

*27 July 2018*

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THE SIMPLY SMART GROUP LIMITED

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PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 DECEMBER 2017

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	Note	2017 £000	2016 £000
Exceptional administrative expenses		-	-
Other operating income	4	215	-
		<u>215</u>	<u>-</u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

The notes on pages 12 to 16 form part of these financial statements.

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THE SIMPLY SMART GROUP LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2017

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	Note	2017 £000	2016 £000
Profit for the financial period		215	-
		<hr/>	<hr/>
Other comprehensive income net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the period		215	-
		<hr/>	<hr/>

The notes on pages 12 to 16 form part of these financial statements.

**THE SIMPLY SMART GROUP LIMITED**  
**REGISTERED NUMBER:04627313**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
<b>Fixed assets</b>			
Investments	6	1,681	1,681
		<u>1,681</u>	<u>1,681</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	278	278
		<u>278</u>	<u>278</u>
Creditors: amounts falling due within one year	8	(1,629)	(1,844)
		<u>(1,629)</u>	<u>(1,844)</u>
<b>Net current liabilities</b>		<b>(1,351)</b>	<b>(1,566)</b>
<b>Total assets less current liabilities</b>		<b>330</b>	<b>115</b>
<b>Net assets</b>		<b>330</b>	<b>115</b>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	329	114
		<u>330</u>	<u>115</u>

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



- 26/7/18

Sir F H Mackay  
Director

The notes on pages 12 to 16 form part of these financial statements.

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THE SIMPLY SMART GROUP LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2017

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	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2016	1	114	115
Total comprehensive income for the year	-	-	-
At 1 January 2017	1	114	115
Comprehensive income for the period			
Profit for the period	-	215	215
Total comprehensive income for the period	-	215	215
At 31 December 2017	1	329	330

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## THE SIMPLY SMART GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017

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#### 1. General information

The Simply Smart Group Limited is a limited liability company incorporated in England and Wales. Its registered head office is located at Devon House, Anchor Street, Chelmsford, Essex, CM2 0GD.

The principal activity was that of a holding company.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared using GBP sterling and have been rounded to the nearest thousand.

The company has taken advantage of exemption in respect of presenting a statement of cash flow, key management personnel compensation and certain financial instrument disclosures.

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

The following principal accounting policies have been applied:

##### 2.2 Going concern

The financial statements show the company with positive net assets but net current liabilities. The financial statements have been prepared on a going concern basis, which assumes that the company has sufficient resources to enable it to continue operating and to meet its liabilities as they fall due. The directors believe the going concern assumption to be appropriate for the reasons set out below.

As part of the Graysons Hospitality group's banking arrangements, the company has entered into multi-lateral guarantee with the other companies in the group and as such the ultimate parent undertaking has pledged, in the ordinary course of business, to continue to offer financial support for the foreseeable future and confirmed this in writing to the directors in a letter of support.

The group directors have prepared cash flow forecasts for 18 months from the date of signing these financial statements. The directors believe the forecasts to be prudent and have been sensitised to take account of known and potential risks. The underlying assumption for the purposes of these forecasts is that the group will continue to trade at a similar level to that of its current position. Given the contractual nature of the group's business and based on the historical trading of those elements that are not contractual, the directors consider this assumption to be reasonable. These forecasts demonstrate the ability of the group to operate well within its existing facilities.

Further to this the group continues to be very active in tendering for new contracts and as a result of that activity reasonably expects to gain further new business following recent contract additions in 2017 but is not reliant upon this to support the basis of preparation of the forecasts.

For the reasons laid out above the Board continues to adopt the going concern basis in preparing these financial statements.

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## THE SIMPLY SMART GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.4 Debtors

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

##### 2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

##### 2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.7 Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Judgements and estimates relate to the carrying value of investments.

#### 4. Other operating income

	2017 £000	2016 £000
Other operating income	215	-
	<u>215</u>	<u>-</u>

Other operating income relates to the forgiveness of amounts owed to group and related undertakings.



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THE SIMPLY SMART GROUP LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017

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**5. Operating profit**

The company did not trade during the period.

Audit fees were borne by a fellow group company in 2017 and 2016.

The company had no employees other than the directors, who were not remunerated in either 2017 or 2016.

**6. Fixed asset investments**

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 January 2017	1,681
At 31 December 2017	1,681
<b>Net book value</b>	
At 31 December 2017	1,681
At 31 December 2016	1,681

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**THE SIMPLY SMART GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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**6. Fixed asset investments (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
By Word of Mouth Limited	Ordinary	100 %	Events Catering
Graysons Restaurants Limited (formerly Graysons Venues Limited)	Ordinary	100 %	Venue Catering
Graysons Kitchen Limited	Ordinary	100 %	Dormant
By Word of Mouth Fine Dining Limited	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	<b>Aggregate of share capital and reserves</b>	<b>Profit/(loss)</b>
	<b>£000</b>	<b>£000</b>
By Word of Mouth Limited	2,349	627
Graysons Restaurants Limited (formerly Graysons Venues Limited)	435	301
Graysons Kitchen Limited	-	-
By Word of Mouth Fine Dining Limited	-	-

**7. Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	278	278

**8. Creditors: Amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	1,629	1,844

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## THE SIMPLY SMART GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2017

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#### 9. Share capital

	2017 £000	2016 £000
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
120,049 Ordinary shares of £0.01 each	<u>1</u>	<u>1</u>

All ordinary shares carry equal ordinary voting and dividend rights.

#### 10. Reserves

##### Profit and loss account

Includes all current and prior period retained profits and losses less any dividends paid.

#### 11. Contingent liabilities

The company has entered into a multi-lateral guarantee with other members of the group headed by the company's parent undertaking, Graysons Hospitality Limited. The potential group liability as at 31 December 2017 in respect of this guarantee was £618,000 (2016 - £530,000).

#### 12. Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with members of the group headed by Graysons Hospitality Limited on the grounds that 100% of the voting rights in the company are controlled within the group and the company is included in the consolidated financial statements.

#### 13. Controlling party

The immediate and ultimate parent company is Graysons Hospitality Limited and the controlling party is considered to be Sir Francis MacKay.

Graysons Hospitality Limited is incorporated in the United Kingdom.

The smallest and largest group for which consolidated accounts are prepared is that headed by Graysons Hospitality Limited. These financial statements can be obtained from Companies House.