Registered number: 10135302

WATCHHOUSE COFFEE HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 JULY 2024

Bishop Fleming

WATCHHOUSE COFFEE HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS	R Marcelin-Horne S M Gregg Edition Capital Directors Ltd
REGISTERED NUMBER	10135302
REGISTERED OFFICE	36 Maltby Street London SE1 3PA
INDEPENDENT AUDITORS	Bishop Fleming LLP Chartered Accountants & Statutory Auditors 10 Temple Back Bristol BS1 6FL

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GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 28 JULY 2024

INTRODUCTION

The directors present the strategic report for WatchHouse Coffee Holdings Limited ("the Group") for the financial period ended 28 July 2024 ("FY24").

PRINCIPAL ACTIVITY

The Group's principal activity in the period under review was that of the operation of coffee shops ("Houses").

BUSINESS REVIEW

The Group's purpose is to create experiences that enrich and inspire, through Modern Coffee. Our Houses are design-led spaces that demonstrate exceptional attention to detail, with teams that deliver an elevated experience for our guests through hospitality, coffee, and food.

The Directors were extremely satisfied with the performance of the business during the year. In the UK, five new Houses were opened, ranging from brunch Houses in Hampstead Heath and Belsize Park, two City Houses on Fenchurch Street, and our first opening in Canary Wharf. In the US, we were exceptionally proud to open our first House in New York, on the iconic 5th Avenue. All new Houses are currently trading in line with or above expectations.

At the end of the financial year, the Group operated 19 Houses, with 18 in the UK, and one in New York.

In FY24, the Group reported Revenue of £15.4 million, an increase of £5.9 million (62%) compared to the financial year ended 30 July 2023 (2023: £9.5 million).

Looking ahead, the Group's strategy is to continue to driving expansion in London and New York, while engaging with franchise partners to enter new international markets. Post-year end the Group are in the process of completing a fundraise via a share issue.

PRINCIPAL RISKS AND UNCERTAINTIES

Cash flow and liquidity

The Group continues to open new Houses, which requires investment in capital expenditure.

The Group prepares regular short and medium cash flow forecasts, which are reviewed by the Board. These forecasts influence the speed and timing of new House openings.

Coffee prices

The Group's operations depend on a regular supply of coffee beans of a suitable quality. The benchmark index of global coffee prices, the C-price, has recently reached record highs.

To address this risk, the Group has built and maintains long-term relationships with coffee producers and exporters around the world. The Group typically places coffee orders with suppliers at least six months ahead of the coffee landing.

Market conditions

Fluctuations in consumer spending can affect the Group's performance.

The Group closely monitors economic indicators and adjusts its pricing and promotional strategies accordingly to remain competitive and attractive to customers.

Food standards and safety

The Group is subject to various regulations, including food safety standards, employment laws, and environmental regulations.

The Group ensures compliance through regular training, audits, and consultations with legal experts.

Tax and regulatory regime

The Group is exposed to changes in the tax and regulatory regime, particularly in relation to the National Living Wage, National Insurance, and Business Rates.

The Group takes a prudent approach to Budgeting and Forecasting to provide a buffer for any potential tax regime or regulatory changes. Our team members are paid above the National Living Wage.

FINANCIAL KEY PERFORMANCE INDICATORS

Management monitors various quantitative and qualitative KPIs on a regular basis to assess the Group's performance. However, Management considers that Revenue and House EBITDA are the Group's financial key performance indicators.

	FY24	FY25
Number of Houses	19	13
Revenue	£15.4 million	£9.5 million
House EBITDA	£1.2 million	£1.0 million

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

R Marcelin-Horne
Director

Date: 25 April 2025

DIRECTORS' REPORT
FOR THE PERIOD ENDED 28 JULY 2024

The directors present their report and the financial statements for the period ended 28 July 2024.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £4,241,535 (2023: loss £2,568,072).

The directors do not recommend the payment of a dividend (2023: £NIL).

DIRECTORS

The directors who served during the period were:

R Marcelin-Horne
S M Gregg
Edition Capital Directors Ltd

FUTURE DEVELOPMENTS

Future developments are set out in the Strategic Report on page 1.

ENGAGEMENT WITH EMPLOYEES

The directors remain committed to creating a workplace culture that reflects the Group's core values of passion, empathy, can do, and diligence. These values form the basis of our People Analyser tool, which we use to hire, appraise and manage our teams.

The Group is proud to pay above the National Living Wage, and the structured annual appraisal process provides regular opportunities for feedback, recognition and career development conversations.

Following the launch of our first employee happiness survey, we now regularly track our employee net promoter score. This initiative helps us to identify areas for continuous improvement and will support our ambition to become the employer of choice for those in the hospitality industry.

DISABLED EMPLOYEES

The Group is committed to providing equal opportunities and fostering a workplace that reflects our core values of passion, empathy, can-do, and diligence. These principles guide how we support all employees, including those with disabilities, and how we continually work to create an inclusive and respectful environment.

Employment decisions are made based on individual capabilities and merit. Applications from disabled candidates are welcomed and considered fairly, with appropriate adjustments made during the recruitment process to ensure accessibility and equal opportunity.

We are passionate about ensuring that all colleagues are empowered to succeed. Our policies promote open communication, and we encourage disclosure in a supportive culture where individuals feel safe and respected. This commitment is underpinned by the application of best practices in inclusion, training, and ongoing policy review.

The directors are proud of the inclusive culture that continues to evolve within the business and remain committed to ensuring that everyone, regardless of disability status, has the opportunity to thrive and contribute fully.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the directors is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the directors has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

POST BALANCE SHEET EVENTS

On 25 February 2025, Chapeau Production Limited, a subsidiary of Watchhouse Coffee Holdings Limited, was dissolved.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

R Marcelin-Horne
Director

Date: 25 April 2025

36 Maltby Street
London
SE1 3PA

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 28 JULY 2024

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WATCHHOUSE COFFEE HOLDINGS LIMITED

OPINION

We have audited the financial statements of Watchhouse Coffee Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 28 July 2024, which comprise the Consolidated statement of comprehensive income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company 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 Group's and of the parent Company's affairs as at 28 July 2024 and of the Group's loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITORS' 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 Auditors' 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 Group financial statements .

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we have considered the following:

- The nature of the industry and sector, control environment and business performance;
- Results of our enquires of management and directors in relation to their own identification and assessment of the risks of irregularities within the Company; and
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition. In common with all audits under ISAS (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the company operates in, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures within the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and UK tax legislation. In additions we considered provision of other laws and regulations that do not have a direct effect on the financial statements but compliance with may be fundamental for the Company's ability to operate or avoid a material penalty. These included food hygiene legislation, health and safety regulations, employment legislation and data protection laws. Our audit procedures performed to respond to the risks identified included, but were not limited to:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue; Challenging assumptions and judgments made by management in their significant accounting estimates;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board minutes; and
- Identifying and testing journal entries, evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements,recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Ria Burridge FCCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

25 April 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 28 JULY 2024

	Note	Period ended 28 July 2024 £	As restated Period ended 30 July 2023 £
Turnover	4	**15,393,108**	9,488,741
Cost of sales		**(12,822,645)**	(7,560,868)
Gross profit		**2,570,463**	1,927,873
Administrative expenses		**(6,528,674)**	(4,125,225)
Operating loss		**(3,958,211)**	(2,197,352)
Interest receivable and similar income	8	**18,886**	-
Interest payable and similar expenses	9	**(302,210)**	(370,720)
Loss before taxation		**(4,241,535)**	(2,568,072)
Tax on loss		**-**	-
Loss for the financial period		**(4,241,535)**	(2,568,072)
(Loss) for the period attributable to:			
Owners of the parent Company		**(4,241,535)**	(2,568,072)
		(4,241,535)	(2,568,072)

There was no other comprehensive income for 2024 (2023:£NIL).

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 JULY 2024

	Note		28 July 2024 £		As restated 30 July 2023 £
Fixed assets					
Intangible assets	10		**113,093**		114,243
Tangible assets	11		**8,315,402**		4,901,136
			8,428,495		5,015,379
Current assets					
Stocks		**403,911**		318,485	
Debtors: amounts falling due within one year	14	**1,592,427**		1,051,007	
Cash at bank and in hand	15	**1,464,944**		1,001,266	
		3,461,282		2,370,758	
Creditors: amounts falling due within one year	16	**(6,901,603)**		(5,213,292)	
Net current liabilities			**(3,440,321)**		(2,842,534)
Total assets less current liabilities			**4,988,174**		2,172,845
Creditors: amounts falling due after more than one year	17		**(1,176,734)**		(1,168,380)
Provisions	20	**(163,660)**		(138,234)	
			(163,660)		(138,234)
Net assets			**3,647,780**		866,231
Capital and reserves					
Called up share capital			**2**		2
Share premium account	22		**13,105,846**		6,103,558
Profit and loss account	22		**(9,458,068)**		(5,237,329)
			3,647,780		866,231

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

R Marcelin-Horne
Director

Date: 25 April 2025

The notes on pages 18 to 39 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 28 JULY 2024

	Note		28 July 2024 £		As restated 30 July 2023 £
Fixed assets					
Tangible assets	11		**503,975**		569,097
Investments	12		**8**		8
			503,983		569,105
Current assets					
Debtors: amounts falling due within one year	14	**12,016,253**		4,788,046	
Cash at bank and in hand	15	**314,058**		35,131	
		12,330,311		4,823,177	
Creditors: amounts falling due within one year	16	**(1,817,093)**		(1,538,430)	
Net current assets			**10,513,218**		3,284,747
Total assets less current liabilities			**11,017,201**		3,853,852
Creditors: amounts falling due after more than one year	17		**(707,127)**		(381,566)
Provisions		**(163,660)**		(138,234)	
			(163,660)		(138,234)
Net assets			**10,146,414**		3,334,052
Capital and reserves					
Called up share capital			**2**		2
Share premium account	22		**13,105,846**		6,103,558
Profit and loss account carried forward			**(2,959,434)**		(2,769,508)
			10,146,414		3,334,052

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

R Marcelin-Horne
Director

Date: 25 April 2025

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 JULY 2024

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 27 July 2022	2	3,251,961	(2,638,980)	612,983
Prior year adjustment - correction of error	-	-	(9,481)	(9,481)
At 28 July 2022 (as restated)	2	3,251,961	(2,648,461)	603,502
Loss for the period	-	-	(2,568,072)	(2,568,072)
Other movements	-	-	(20,796)	(20,796)
Shares issued during the period	-	2,991,185	-	2,991,185
Capital fees	-	(139,588)	-	(139,588)
At 30 July 2023	2	6,103,558	(5,219,825)	883,735
Prior year adjustment - correction of error	-	-	(17,504)	(17,504)
At 31 July 2023 (as restated)	2	6,103,558	(5,237,329)	866,231
Loss for the period	-	-	(4,241,535)	(4,241,535)
Other movements	-	-	20,796	20,796
Shares issued during the period	-	7,042,788	-	7,042,788
Capital fees	-	(40,500)	-	(40,500)
At 28 July 2024	2	13,105,846	(9,458,068)	3,647,780

The notes on pages 18 to 39 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 JULY 2024

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 27 July 2022	2	3,251,961	(2,660,048)	591,915
Prior year adjustment - correction of error	-	-	(9,481)	(9,481)
At 28 July 2022 (as restated)	2	3,251,961	(2,669,529)	582,434
Loss for the period	-	-	(99,979)	(99,979)
Shares issued during the period	-	2,991,185	-	2,991,185
Shares redeemed during the period	-	(139,588)	-	(139,588)
At 30 July 2023	2	6,103,558	(2,752,004)	3,351,556
Prior year adjustment - correction of error	-	-	(17,504)	(17,504)
At 31 July 2023 (as restated)	2	6,103,558	(2,769,508)	3,334,052
Loss for the period	-	-	(189,926)	(189,926)
Shares issued during the period	-	7,042,788	-	7,042,788
Shares redeemed during the period	-	(40,500)	-	(40,500)
At 28 July 2024	2	13,105,846	(2,959,434)	10,146,414

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 28 JULY 2024

	Period ended 28 July 2024 £	As restated Period ended 30 July 2023 £
Cash flows from operating activities		
Loss for the financial period	**(4,241,535)**	(2,568,072)
Adjustments for:		
Amortisation of intangible assets	**1,150**	1,247
Depreciation of tangible assets	**1,299,627**	854,717
Interest paid	**302,210**	370,720
Interest received	**(18,886)**	-
(Increase) in stocks	**(85,426)**	(49,574)
(Increase) in debtors	**(541,420)**	(548,495)
Increase in creditors	**1,605,572**	2,412,682
Non-cash movement in P&L reserve	**20,796**	(20,796)
Net cash generated from operating activities	**(1,657,912)**	452,429
Cash flows from investing activities		
Purchase of intangible fixed assets	**-**	(27,881)
Purchase of tangible fixed assets	**(4,073,951)**	(1,711,370)
Interest received	**18,886**	-
HP interest paid	**(257,971)**	(265,629)
Net cash from investing activities	**(4,313,036)**	(2,004,880)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 28 JULY 2024

	Period ended 28 July 2024 £	As restated Period ended 30 July 2023 £
Cash flows from financing activities		
Issue of ordinary shares	**7,042,788**	2,991,185
Purchase of ordinary shares	**(40,500)**	(139,588)
Repayment of loans	**(64,441)**	(48,114)
Other new loans	**-**	9,895
Repayment of/new finance leases	**(458,982)**	(234,214)
Interest paid	**(44,239)**	(105,091)
Net cash used in financing activities	**6,434,626**	2,474,073
Net increase in cash and cash equivalents	**463,678**	921,622
Cash and cash equivalents at beginning of period	**1,001,266**	79,644
Cash and cash equivalents at the end of period	**1,464,944**	1,001,266
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	**1,464,944**	1,001,266
	1,464,944	1,001,266

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 28 JULY 2024

	At 31 July 2023	Cash flows	New finance leases	At 28 July 2024
	£	£	£	£
Cash at bank and in hand	1,001,266	463,678	-	1,464,944
Debt due after 1 year	(122,728)	54,546	-	(68,182)
Debt due within 1 year	(64,440)	9,895	-	(54,545)
Finance leases	(1,413,153)	458,982	(614,516)	(1,568,687)
	(599,055)	987,101	(614,516)	(226,470)

The notes on pages 18 to 39 form part of these financial statements.

1. GENERAL INFORMATION

Watchhouse Coffee Holdings Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

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

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

2.3 GOING CONCERN

Since the end of FY24 the Group has continued to grow, with turnover for the first half of FY25 54% higher than the corresponding period in FY24 (Note: £10.2m in Q1 and Q2 FY25, compared to £6.6m in Q1 and Q2 FY24). The increase in turnover has been aided by strong like-for-like House sales and new openings during the year. Looking forward, the Group has three additional Houses currently under construction (Note: Chrysler, Battersea Power Station, Millennium Bridge). The increasing number of Houses continues to increase contribution to central overheads, resulting in improved EBITDA performance.

Based on this growth, forecasts prepared for the period to July 2027, and improving profitability metrics, the Group has the appropriate level of support in place.

The directors consider that the Group maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations.

Prior to the year-end the Group has ensured additional funding through a share issue and a loan, as such the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the Group's ability to continue as a going concern. Thus the Directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

2. ACCOUNTING POLICIES (continued)

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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

2.5 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. ACCOUNTING POLICIES (continued)

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 INTEREST INCOME

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

2.8 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

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

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

2.11 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 DEVELOPMENT COSTS

Website development costs are being amortised evenly over their estimated useful life of three years.

2. ACCOUNTING POLICIES (continued)

2.13 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Straight line over 3 to 10 years
Plant and machinery	- Straight line over 7 years
Motor vehicles	- Straight line over 4 years
Fixtures and fittings	- Straight line over 3 to 10 years
Office equipment	- Straight line over 3 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.15 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 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. ACCOUNTING POLICIES (continued)

2.17 CASH AND CASH EQUIVALENTS

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

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.18 CREDITORS

Short-term creditors are measured at the transaction price. 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.

2.19 PROVISIONS FOR LIABILITIES

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.20 FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of financial position when the Group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly

2. ACCOUNTING POLICIES (continued)

2.20 FINANCIAL INSTRUMENTS (CONTINUED)

traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

2. ACCOUNTING POLICIES (continued)

2.20 FINANCIAL INSTRUMENTS (CONTINUED)

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgement that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

Assessing indicators of impairment
In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Recoverability of receivables
The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the director considers factors such as the aging of the receivables, and past experience of recoverability.

Determining residual values and useful economic lives of tangible and intangible assets
The Group depreciates tangible assets and amortises intangible assets over their estimated useful lives. The estimation of the useful lives is based on historical performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by management when determining the residual values for tangible and intangible assets. When determining the residual value management aim to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to extemal market prices.

4. TURNOVER

The whole of the turnover is attributable to the sale of coffee, food and other coffee related products.

	Period ended 28 July 2024 £	Period ended 30 July 2023 £
United Kingdom	**14,747,483**	9,488,741
Rest of the world	**645,625**	-
	15,393,108	9,488,741

5. OPERATING LOSS

The operating loss is stated after charging:

	Period ended 28 July 2024 £	Period ended 30 July 2023 £
Research & development charged as an expense	**1,307**	3,858
Exchange differences	**(3,088)**	-
Depreciation	**1,299,627**	854,717
Amortisation	**1,150**	1,247

6. AUDITORS' REMUNERATION

During the period, the Group obtained the following services from the Company's auditors:

	Period ended 28 July 2024 £	Period ended 30 July 2023 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	**34,500**	33,750
Fees payable to the Company's auditors in respect of:		
Taxation compliance services	**7,250**	7,250
All taxation advisory services not included above	**2,300**	-
Corporate finance services not included above	**6,000**	-

7. EMPLOYEES

Staff costs were as follows:

	Group 28 July 2024 £
Wages and salaries	**7,798,848**
Social security costs	**607,090**
Cost of defined contribution scheme	**120,590**
	8,526,528

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

	Period ended 28 July 2024 No.	Period ended 30 July 2023 No.
Employees	**365**	210

The Company has no employees other than the directors, who did not receive any remuneration *(2023: £NIL)*

8. INTEREST RECEIVABLE

	Period ended 28 July 2024 £	Period ended 30 July 2023 £
Other interest receivable	**18,886**	-
	18,886	-

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period ended 28 July 2024 £	Period ended 30 July 2023 £
Bank interest payable	**35,380**	105,091
Other loan interest payable	**8,859**	-
Finance leases and hire purchase contracts	**257,971**	265,629
	302,210	370,720

10. INTANGIBLE ASSETS

Group

	Patents £	Development expenditure £	Total £
COST			
At 31 July 2023	12,125	115,490	127,615
At 28 July 2024	12,125	115,490	127,615
AMORTISATION			
At 31 July 2023	12,125	1,247	13,372
Charge for the period on owned assets	-	1,150	1,150
At 28 July 2024	12,125	2,397	14,522
NET BOOK VALUE			
At 28 July 2024	-	113,093	113,093
At 30 July 2023	-	114,243	114,243

10. INTANGIBLE ASSETS (CONTINUED)

Company

	Patents
	£
COST	
At 31 July 2023	12,125
At 28 July 2024	12,125
AMORTISATION	
At 31 July 2023	12,125
At 28 July 2024	12,125
NET BOOK VALUE	
At 28 July 2024	-
At 30 July 2023	-

11. TANGIBLE FIXED ASSETS

Group

	Short-term leasehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Office equipment
	£	£	£	£	£
COST OR VALUATION					
At 31 July 2023 (as previously stated)	2,948,858	399,953	228,731	1,829,786	1,450,981
Prior Year Adjustment	138,234	-	-	-	-
At 31 July 2023 (as restated)	3,087,092	399,953	228,731	1,829,786	1,450,981
Additions	2,632,332	-	-	1,061,728	1,074,833
Capital contribution	(55,000)	-	-	-	-
At 28 July 2024	5,664,424	399,953	228,731	2,891,514	2,525,814
DEPRECIATION					
At 31 July 2023 (as previously stated)	556,860	166,831	143,038	539,294	671,880
Prior Year Adjustment	17,504	-	-	-	-
At 31 July 2023 (as restated)	574,364	166,831	143,038	539,294	671,880
Charge for the period	526,028	57,137	34,131	219,568	462,763
At 28 July 2024	1,100,392	223,968	177,169	758,862	1,134,643
NET BOOK VALUE					
At 28 July 2024	4,564,032	175,985	51,562	2,132,652	1,391,171
At 30 July 2023 (as restated)	2,512,728	233,122	85,693	1,290,492	779,101

11. TANGIBLE FIXED ASSETS (CONTINUED)

	Total
	£
COST OR VALUATION	
At 31 July 2023 (as previously stated)	**6,858,309**
Prior Year Adjustment	**138,234**
At 31 July 2023 (as restated)	**6,996,543**
Additions	**4,768,893**
Capital contribution	**(55,000)**
At 28 July 2024	**11,710,436**
DEPRECIATION	
At 31 July 2023 (as previously stated)	**2,077,903**
Prior Year Adjustment	**17,504**
At 31 July 2023 (as restated)	**2,095,407**
Charge for the period	**1,299,627**
At 28 July 2024	**3,395,034**
NET BOOK VALUE	
At 28 July 2024	**8,315,402**
At 30 July 2023 (as restated)	4,901,136

11. TANGIBLE FIXED ASSETS (CONTINUED)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	28 July 2024 £	30 July 2023 £
Short-term leasehold property	**1,835,411**	1,420,341
Motor vehicles	**87,397**	93,581
Office equipment	**18,707**	31,934
	1,941,515	1,545,856

FINANCE LEASES

Capital contributions are made by the landlords of the short-term leasehold properties when improvements are made. The amounts disclosed above as the Net Book Value of assets held under finance leases or hire purchase contracts are excluding these capital contributions.

11. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Short-term leasehold property	Motor vehicles	Total
	£	£	£
COST OR VALUATION			
At 31 July 2023 (as previously stated)	430,885	55,186	486,071
Prior Year Adjustment	138,234	-	138,234
At 31 July 2023 (as restated)	569,119	55,186	624,305
Additions	25,426	-	25,426
Capital Contribution	(55,000)	-	(55,000)
At 28 July 2024	539,545	55,186	594,731
DEPRECIATION			
At 31 July 2023 (as previously stated)	14,756	22,948	37,704
Prior Year Adjustment	17,504	-	17,504
At 31 July 2023 (as restated)	32,260	22,948	55,208
Charge for the period	21,751	13,797	35,548
At 28 July 2024	54,011	36,745	90,756
NET BOOK VALUE			
At 28 July 2024	485,534	18,441	503,975
At 30 July 2023 (as restated)	536,859	32,238	569,097

11. TANGIBLE FIXED ASSETS (CONTINUED)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	28 July 2024 £	30 July 2023 £
Short-term leasehold property	**94,094**	104,549
Motor vehicles	**41,250**	55,000
	135,344	159,549

FINANCE LEASES

Capital contributions are made by the landlords of the short-term leasehold properties when improvements are made. The amounts disclosed above as the Net Book Value of assets held under finance leases or hire purchase contracts are excluding these capital contributions.

12. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies
	£
COST OR VALUATION	
At 31 July 2023	8
At 28 July 2024	8

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Chapeau Bermondsey Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
Chapeau Tower Bridge Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
Chapeau Fetter Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
Chapeau Commercial Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
Chapeau Roastery Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
Chapeau Production Limited	36 Maltby Street, London, England, SE1 3PA	Ordinary	100%
WatchHouse Holdings LLC	Ground Floor, 660 Fifth Avenue, New York, New York, NY 10022, United States	N/A	100%

13. STOCKS

	28 July 2024	30 July 2023
	£	£
Raw materials and consumables	**403,911**	318,485
	403,911	318,485

14. DEBTORS

	Group 28 July 2024 £	Group 30 July 2023 £	Company 28 July 2024 £	Company 30 July 2023 £
Trade debtors	**524,133**	101,244	**33,708**	3,799
Amounts owed by group undertakings	**-**	-	**11,697,902**	4,538,042
Other debtors	**565,446**	431,280	**274,501**	236,063
Prepayments and accrued income	**502,848**	518,483	**10,142**	10,142
	1,592,427	1,051,007	**12,016,253**	4,788,046

15. CASH AND CASH EQUIVALENTS

	Group 28 July 2024 £	Group 30 July 2023 £	Company 28 July 2024 £	Company 30 July 2023 £
Cash at bank and in hand	**1,464,944**	1,001,266	**314,058**	35,131
	1,464,944	1,001,266	**314,058**	35,131

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 28 July 2024 £	Group 30 July 2023 £	Company 28 July 2024 £	Company 30 July 2023 £
Bank loans	**54,545**	54,545	**-**	-
Other loans	**-**	9,895	**-**	-
Trade creditors	**2,077,857**	1,516,361	**39,402**	41,836
Corporation tax	**79,348**	79,348	**52,313**	52,313
Other taxation and social security	**737,401**	523,737	**-**	52,054
Obligations under finance lease and hire purchase contracts	**460,135**	367,501	**200,384**	142,227
Other creditors	**2,981,129**	2,308,692	**1,524,994**	1,250,000
Accruals and deferred income	**511,188**	353,213	**-**	-
	6,901,603	5,213,292	**1,817,093**	1,538,430

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 28 July 2024 £	Group 30 July 2023 £	**Company 28 July 2024 £**	Company 30 July 2023 £
Bank loans	**68,182**	122,728	**-**	-
Net obligations under finance leases and hire purchase contracts	**1,108,552**	1,045,652	**707,127**	381,566
	1,176,734	1,168,380	**707,127**	381,566

18. LOANS

Analysis of the maturity of loans is given below:

	Group 28 July 2024 £	Group 30 July 2023 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	**54,545**	54,545
Other loans	**-**	9,895
	54,545	64,440
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	**54,546**	54,546
	54,546	54,546
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	**13,636**	68,182
	13,636	68,182
	122,727	187,168

19. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	Group 28 July 2024 £	Group 30 July 2023 £	**Company 28 July 2024 £**	Company 30 July 2023 £
Within one year	**465,136**	367,502	**205,385**	142,227
Between 1-5 years	**1,139,565**	1,013,651	**735,230**	381,566
	1,604,701	1,381,153	**940,615**	523,793

20. PROVISIONS

Group and Company

	Dilapidations provision £
At 31 July 2023 (as previously stated)	-
Prior year adjustment	**138,234**
At 31 July 2023 (as restated)	**138,234**
Other movements	**25,426**
At 28 July 2024	**163,660**

21. SHARE CAPITAL

	28 July 2024 £	30 July 2023 £
2,872,988 (2023: 2,872,988) Class A shares of £0.0000002 each	**0.5745976**	0.5745976
5,000,000 (2023: 5,000,000) Class B shares of £0.0000002 each	**1.0000000**	1.0000000
4,497,887 (2023: 1,710,215) Class C shares of £0.0000002 each	**0.8995774**	0.3420430

22. RESERVES

Share premium account

The share premium account represents the premium arising on the issue of shares net of issue cost.

Profit and loss account

The profit and loss account includes all current and prior periods profits and losses.

23. PRIOR YEAR ADJUSTMENT

An immaterial prior year adjustment has been processed to recognise a dilapidations provision for the property leases that are held by the parent entity. This has resulted in the opening profit and loss reserve at 27 July 2024 being decreased by £17,504 and the opening profit and loss reserve at 30 July 2023 being decreased by £9,481 to recognise the depreciation of the assets created from the dilapidations provision.

The dilapidations provision has been restated at 30 July 2023 at £138,234, resulting in a subsequent increase in fixed assets of £120,730, made up of £138,238 short-term leasehold property cost and £17,504 short-term leasehold property depreciation.

24. PENSION COMMITMENTS

Defined contribution plans

The amount recognised in the profit or loss as an expense in relation to defined contribution plans was £120,590 (2023: £68,901).

Contributions totalling £22,133 (2023: £15,369) were payable to the fund at the year end and are included in other creditors.

25. COMMITMENTS UNDER OPERATING LEASES

At 28 July 2024 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 28 July 2024 £	Group 30 July 2023 £	**Company 28 July 2024 £**	Company 30 July 2023 £
Not later than 1 year	**1,226,580**	1,056,580	**1,044,000**	874,000
Later than 1 year and not later than 5 years	**4,633,923**	4,115,003	**3,973,500**	3,396,000
Later than 5 years	**4,807,000**	4,659,500	**4,397,000**	4,123,500
	10,667,503	9,831,083	**9,414,500**	8,393,500

26. RELATED PARTY TRANSACTIONS

The Group has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidaries within the group.

During the year, the Group paid a utility recharge of £1,444 (2023: £NIL) to Verum Domus Ltd, a company, related by virtue of a common director.

Chapeau Bermondsey Limited holds a tenancy agreement with Dockhead Wharf Ltd, a company wholly owned and controlled by Roland Horne, who is a director of Chapeau Bermondsey Limited. This arrangement is considered a related party transaction under FRS 102 Section 33 due to the common control relationship.

During the year ended 28 July 2024, the Group incurred rental expenses of £38,000 (2023: £15,721) under the tenancy agreement with Dockhead Wharf Ltd. At the reporting date (28 July 2024), an amount of £38,000 (2023: £38,000) was payable to Dockhead Wharf Ltd in respect of this agreement and is included within accruals.

The terms of the tenancy agreement are understood to be on an arm's length basis, consistent with those available to third parties.

No other related party transactions requiring disclosure under the applicable financial reporting framework occurred during the year.

Included within other debtors is an amount loaned to a director of £279,645 (2023: £238,229).

27. POST BALANCE SHEET EVENTS

On 25 February 2025, Chapeau Production Limited, a subsidiary of Watchhouse Coffee Holdings Limited, was dissolved.

28. CONTROLLING PARTY

The ultimate controlling party is Roland Marcelin-Horne.