

KAY'S ATLAS BREWERY P.L.C.

REPORT AND FINANCIAL STATEMENTS

31 December 2014

Company Number 50374

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Kay's Atlas Brewery P.L.C.

COMPANY INFORMATION

31 December 2014

COMPANY NUMBER	50374
CHAIRMAN	P. B. Robinson LL.B
DIRECTORS	D. W. Robinson D. J. Robinson B.Sc N. Robinson-Stanier V. H. Robinson P. A. Robinson O. J. Robinson W. J. Robinson BA (Hons) Dip: Arch. RIBA
SECRETARY	S. X. Robinson LL.B
REGISTERED OFFICE	Unicorn Brewery Stockport Cheshire SK1 1JJ
BANKERS	NatWest Bank PO Box 13 10 Great Underbank Stockport Cheshire SK1 1LT
SOLICITORS	SAS Lawyers Solicitors 30 Greek Street Stockport Cheshire SK3 8AD
AUDITORS	Baker Tilly UK Audit LLP 3 Hardman Street Manchester M3 3HF

KAY'S ATLAS BREWERY P.L.C.

STRATEGIC REPORT Year ended 31 December 2014

Status

The company is a public limited company and all the ordinary share capital is owned by Frederic Robinson Limited.

Income and expenditure

Under a long term agreement all of the Company's public house properties are managed by Frederic Robinson Limited in return for an annual fixed fee of £100,000.

Frederic Robinson Limited incur all the day to day operational costs of the Company's public houses including all expenditure on repairs and rehabilitation.

The income received by the company of £100,000 per annum is sufficient to meet all the day to day company costs including interest leaving a modest annual surplus after corporation tax. Since the income is fixed, the company costs are modest, the quantum of the operating profit is relatively stable.

Property

The property owned by the company is stated at cost and since most property has been owned since the Company was acquired by Frederic Robinson Limited in the period just after World War II the costs are low as compared to current market value.

Where Frederic Robinson Limited sees no economic future for a particular public house the house is put up for sale. In virtually all cases where a house is sold there is a significant book profit arising as the original costs are low. This profit on the sale is credited to the profit and loss account.

Dividend policy

Each year an ordinary dividend is paid to Frederic Robinson Limited of £12,500 (2013: £12,500).

The sale of public houses in the main result in a significant surplus being credited to the profit and loss account. The balance of the profit and loss account is reduced by the payment of an additional dividend in those years where the balance on the intercompany account with Frederic Robinson Limited permit.

On 17 March 2014 an additional dividend of £400,000 was paid (2013: £400,000).

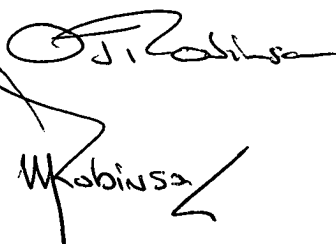
Risks and uncertainty

Since the company holds a property portfolio at cost and receives an agreed income of £100,000 per annum to fund its normal running costs and the day to day operational costs associated with the public houses are the responsibility of Frederic Robinson Limited, there are no significant risks associated with the company's activities.

O. J. ROBINSON

W. J. ROBINSON

Directors

The block contains two handwritten signatures. The top signature is in dark ink and appears to be 'O. J. Robinson'. The bottom signature is also in dark ink and appears to be 'W. J. Robinson'. Both signatures are written in a cursive, stylized manner.

8 April 2015

KAY'S ATLAS BREWERY P.L.C.

A Subsidiary of

Frederic Robinson Limited

(The Ultimate Holding Company)

Incorporated in England - Company Number 50374

Directors:

PETER B. ROBINSON, LL.B, CHAIRMAN

DENNIS W. ROBINSON DAVID J. ROBINSON, B.Sc. NEIL ROBINSON-STANIER

VERONICA H. ROBINSON PAUL A. ROBINSON OLIVER J. ROBINSON WILLIAM J. ROBINSON

DIRECTORS' REPORT

To be presented to the shareholders at the one hundred and eighteenth Annual General Meeting to be held on Monday 19 May 2015, at 11.00 a.m.

The Directors submit their Report and Audited Financial Statements for the year ended 31 December 2014.

Business review and principal activities

The principal activity of the company continues to be the ownership of public houses and hotels. There have been no changes in these activities during the year nor are any changes expected in the forthcoming financial year.

The company income received from its parent company Frederic Robinson Limited is unchanged at £100,000.

There has been two property sales during the year, which raised £285,386 at a profit of £262,362. After the normal costs of running the company the profits attributable to members stands at £324,661 (2013: £8,734) from which ordinary dividends of £412,500 were paid.

The balance sheet shows shareholders' funds of £1,236,936 (2013: £1,324,775) with the changes chiefly reflected in the balance due from Frederic Robinson Limited following the dividends declared in the year.

There have been no significant events since the balance sheet date.

Dividends

During the year the company declared the normal 5% dividends of £6,250 each, being the final dividend for the year to 31 December 2013 and the interim dividend for the year to 31 December 2014. On 17 March 2014 the company also declared an additional ordinary dividend of £400,000.

Directors

The directors who served the company during the year were P. B. Robinson, D. W. Robinson, D. J. Robinson, N. Robinson-Stanier, V. H. Robinson, P. A. Robinson, O. J. Robinson and W. J. Robinson.

Throughout the financial year and at the date of this report P. B. Robinson, D. W. Robinson and D. J. Robinson held 100 Ordinary Shares each as nominees of the parent company.

The directors' interests in the shares of the parent company are shown in the financial statements of that company.

P. A. Robinson, O. J. Robinson and W. J. Robinson retire by rotation and, being eligible, offer themselves for re-election.

Directors' responsibilities in the preparation of the financial statements

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

KAY'S ATLAS BREWERY P.L.C.

DIRECTORS' REPORT continued

Directors' responsibilities in the preparation of the financial statements (continued)

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

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

- i select suitable accounting policies and then apply them consistently;
- ii make judgements and estimates that are reasonable and prudent;
- iii state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv 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.

Fixed Assets - Freehold and Leasehold Properties

The company sold property with an original cost of £23,024 in the year. The changes in the company's fixed assets are included in Note 7.

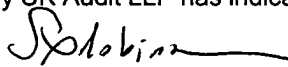
In the opinion of the Directors the market value of the company's properties at the end of the year was in excess of the book amounts but in view of the uncertainty of the property market they are unable to quantify the amount of the excess.

Awareness of information

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. Each of 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.

Auditors

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


By Order of the Board,
S. X. ROBINSON, Secretary

Unicorn Brewery,
Stockport,
Cheshire
SK1 1JJ

..8.. April 2015

KAY'S ATLAS BREWERY P.L.C.

PROFIT AND LOSS ACCOUNT Year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	2	100,000	100,000
Administrative expenses	3	<u>(13,411)</u>	<u>(12,934)</u>
Operating Profit		86,589	87,066
Profit / (loss) on sale of tangible fixed assets	4	<u>262,362</u>	<u>(54,996)</u>
		348,951	32,070
Income from fixed asset investments	4	<u>258</u>	<u>258</u>
		349,209	32,328
Interest payable		<u>(3,960)</u>	<u>(3,959)</u>
Profit on ordinary activities before taxation		345,249	28,369
Tax on profit on ordinary activities	5	<u>(20,588)</u>	<u>(19,635)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>324,661</u>	<u>8,734</u>

All the company's activities during the year are classed as continuing.

There were no acquisitions during the year.

The company has had no recognised gains and losses during this year and last year other than the profit for the financial year.

Profit on a historical cost basis does not differ from the profit as shown in the profit and loss account.

The accounting policies and notes on pages 7 to 10 form part of these financial statements

KAY'S ATLAS BREWERY P.L.C.

BALANCE SHEET at 31 December 2014


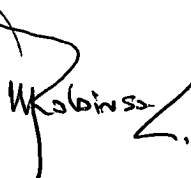
Company number: 50374

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	7	730,784	759,857
Investments	8	<u>1,935</u>	<u>1,935</u>
		<u>732,719</u>	<u>761,792</u>
CURRENT ASSETS			
Debtors	9	609,229	667,811
CREDITORS			
Amounts falling due within one year	10	<u>(25,822)</u>	<u>(25,638)</u>
NET CURRENT ASSETS		<u>583,407</u>	<u>642,173</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,316,126	1,403,965
CREDITORS			
Amounts falling due after more than one year.	11	<u>(79,190)</u>	<u>(79,190)</u>
TOTAL ASSETS		<u><u>1,236,936</u></u>	<u><u>1,324,775</u></u>
CAPITAL AND RESERVES			
Called up equity share capital	12	125,000	125,000
Profit and Loss account	13	<u>1,111,936</u>	<u>1,199,775</u>
Shareholders' funds	14	<u><u>1,236,936</u></u>	<u><u>1,324,775</u></u>

The financial statements were approved by the directors and authorised for issue on⁸ April 2015 and are signed on their behalf by

O. J. ROBINSON

W. J. ROBINSON

Directors 


The accounting policies and notes on pages 7 to 10 form part of these financial statements

KAY'S ATLAS BREWERY P.L.C.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounts

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards.

The directors have a reasonable expectation that the company has 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.

b) Tangible Fixed Assets

Fixed assets are initially recorded at cost.

The following rates of depreciation are used to write off the cost of fixed assets over their expected economic life from the date the asset is brought into use.

Freehold and Long Leasehold Land	Nil
Freehold Property - Licensed Premises	Over 50 years
Long Leasehold Property	Over 50 years
Fixtures and Fittings	10%

The carrying value of tangible fixed assets are reviewed for impairment if events, or changes in circumstances, indicate that the carrying value may not be recoverable.

Depreciation on Freehold and Long Leasehold Land

Depreciation is not provided on the cost of land. Land costs have been identified where possible from historic records, however most licensed premises have no separate land costs identifiable. Consequently 35% of the remaining total property value has been attributed to land. The useful economic life of the buildings that form a part of such properties is estimated to be 50 years.

Depreciation on Property

Following the introduction by the Accounting Standards Board of FRS 15 relating to Tangible Fixed Assets the company has commenced to depreciate Freehold Licensed Property and Long Leasehold Property as from 1 January 1999 over their useful economic life. The useful economic life of the buildings that form a part of such properties is estimated to be 50 years.

At the end of its 50 year useful economic life Freehold Licensed Property and Long Leasehold Property is estimated to have a residual value amounting to 40% of its initial cost and accordingly depreciation over the 50 years useful economic life writes down the value of the Freehold Licensed Property and Long Leasehold Property to its residual value.

c) Capital Gains Tax

No provision has been made in these financial statements for taxation on chargeable gains arising from the disposal of property as it is anticipated the liability for taxation will be postponed by the application of the rollover provisions of the Finance Acts.

d) Cash Flow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No1 (Revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent company publishes a consolidated cash flow statement.

e) Turnover

Turnover represents the amount derived from the provision of services which fall within the company's ordinary activities stated net of value added tax.

KAY'S ATLAS BREWERY P.L.C.

NOTES TO THE FINANCIAL STATEMENTS

2. TURNOVER

	2014	2013
	£	£
Commission received from Frederic Robinson Limited	<u>100,000</u>	<u>100,000</u>

3. ADMINISTRATIVE EXPENSES

Operating profit is stated after charging administrative expenses	£	£
Auditors' remuneration	2,000	2,000
Depreciation	6,437	6,601
Other charges	<u>4,974</u>	<u>4,333</u>
	<u>13,411</u>	<u>12,934</u>

There were no Directors' emoluments or staff costs during the year.

4. OTHER INCOME

Profit / (loss) on disposal of fixed assets	<u>£ 262,362</u>	<u>£ (54,996)</u>
Income from debentures in fellow subsidiary	<u>£ 258</u>	<u>£ 258</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is based on the results for the year and is made up as follows:

U.K. Corporation tax @ 20% (2013 - 20%)	£ 19,645	£ 19,645
Adjustment for prior year	<u>943</u>	<u>(10)</u>
	<u>20,588</u>	<u>19,635</u>

The taxation assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained as follows:

Profit on ordinary activities before taxation	<u>345,249</u>	<u>28,369</u>
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in UK of 20.00% (2013 - 20%)	69,050	5,674
Income not taxable and Profit on sale rolled over	<u>(52,472)</u>	<u>10,999</u>
Expenses not deductible for tax purposes	3,067	2,972
Adjustment for prior year	<u>943</u>	<u>(10)</u>
	<u>20,588</u>	<u>19,635</u>

6. DIVIDENDS

The following dividends have been proposed and paid in respect of the year

Ordinary Shares:	£	£
Final dividend of 5% paid	6,250	6,250
Interim dividend of 5% paid	6,250	6,250
Additional dividend paid 17 March 2014	<u>400,000</u>	<u>1,000,000</u>
	<u>412,500</u>	<u>1,012,500</u>

KAY'S ATLAS BREWERY P.L.C.

NOTES TO THE FINANCIAL STATEMENTS

7. TANGIBLE FIXED ASSETS

	Total	Properties	Long	Fixtures and Fittings
	£	Freehold	Leasehold	£
Cost				
At 1 January 2014	860,549	851,590	8,693	266
Addition	2	-	-	2
Disposals	(23,026)	(23,024)	-	(2)
At 31 December 2014	837,525	828,566	8,693	266
Depreciation				
At 1 January 2014	100,692	99,406	1,020	266
Charge for the year	6,437	6,369	68	-
On disposal	(388)	(388)	-	-
At 31 December 2014	106,741	105,387	1,088	266
Net book amount at 31 December 2014	730,784	723,179	7,605	-
Net book amount at 31 December 2013	759,857	752,184	7,673	-

8. INVESTMENTS

	2014	2013
	£	£
Bell & Co. Plc.		
4% perpetual first mortgage debenture stock at Nominal Value	6,450	6,450
less amounts written off	(4,515)	(4,515)
At net book value as at 31 December	1,935	1,935

Investments are included at cost, less amounts written off, and represent an investment in a fellow subsidiary.

9. DEBTORS

	£	£
Amount owed by parent company	609,229	667,811

10. CREDITORS - amounts falling due within one year

	£	£
Corporation tax	19,645	19,645
Other creditors	6,177	5,993
	25,822	25,638

11. CREDITORS - amounts falling due after more than one year

	£	£
Preference Shares	79,190	79,190
	79,190	79,190

The preference shares have been classified as a financial liability in accordance with Financial Reporting Standard No.25 Financial Instruments: Disclosure and Presentation. The rights attached to these shares are discussed in Note 12.

KAY'S ATLAS BREWERY P.L.C.

NOTES TO THE FINANCIAL STATEMENTS

12. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
12,500 Ordinary shares of £10 each	125,000	125,000
7,919 5% Cumulative preference shares of £10 each	79,190	79,190
	<u>204,190</u>	<u>204,190</u>
Less: included within creditors due after more than one year	<u>(79,190)</u>	<u>(79,190)</u>
	<u>125,000</u>	<u>125,000</u>

Preference shares consist of 7,919 5% Cumulative preference shares of £10 each. The Preference shares carry a cumulative right to a dividend of 5%, but have no rights in the event of a winding up beyond the arrears of dividend and repayment of capital. They have no right to vote in general meetings except on the winding up of the company or on the proposed modification of the rights attaching to their preference shares.

13. PROFIT AND LOSS ACCOUNT

	£	£
Balance as at 1 January	1,199,775	2,203,541
Profit for the year	324,661	8,734
Dividends paid	<u>(412,500)</u>	<u>(1,012,500)</u>
Balance as at 31 December	<u>1,111,936</u>	<u>1,199,775</u>

14. MOVEMENT IN SHAREHOLDERS' FUNDS

	£	£
Profit for the financial year	324,661	8,734
Dividends paid	<u>(412,500)</u>	<u>(1,012,500)</u>
Net decrease in shareholders' funds	<u>(87,839)</u>	<u>(1,003,766)</u>
Opening shareholders' funds	<u>1,324,775</u>	<u>2,328,541</u>
Closing shareholders' funds	<u>1,236,936</u>	<u>1,324,775</u>

15. PARENT COMPANY AND ULTIMATE CONTROLLING PARTIES

The ultimate parent undertaking is Frederic Robinson Limited, a company incorporated in England. The largest and smallest group for which consolidated accounts are prepared is headed by Frederic Robinson Limited. Copies of the group accounts can be obtained from the Registrar of Companies. The ultimate controlling party is the Robinson family directly descended from the late Frederic Robinson.

16. TRANSACTIONS WITH RELATED PARTIES

The company has taken advantage of the exemption contained in Financial Reporting Standard No. 8 from disclosing transactions with fellow group companies on the grounds that consolidated financial statements are prepared for the group.

17. STAFF COSTS

The group's policy of utilising throughout the group a pool of staff employed by the holding company precludes any meaningful calculation of numbers of staff engaged upon work for the company. The total number of employees and employment costs of the group are disclosed in the holding company's accounts.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
KAY'S ATLAS BREWERY P.L.C.

We have audited the Financial Statements on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 APB's Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on the financial statements

In our view the financial statements:

- give a true and fair view of the state of the company's affairs at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Dale Thorpe BSc FCA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street Manchester M3 3HF

..... April 2015

KAY'S ATLAS BREWERY P.L.C.

Unicorn Brewery, Stockport

REPORT AND FINANCIAL STATEMENTS For the year ended 31 December 2014

NOTICE is hereby given that the one hundred and eighteenth Annual General Meeting of Kay's Atlas Brewery P.L.C. will be held at the registered office of the Company, Unicorn Brewery, Stockport, on Monday 19 May 2015 at 11.00 am for the following purposes, viz:-

1. To receive the Directors' Report and Financial Statements for the year ended 31 December 2014.
2. To declare a dividend on the ordinary shares of the Company and to fix the date of payment.
3. To re-elect directors.
4. To re-appoint the auditors and authorise the directors to fix their remuneration.
5. To transact any other business that may be legally transacted at an annual general meeting.

By order of the Board,

S. X. ROBINSON,
Secretary

 April 2015

Every member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. The proxy need not also be a member.

Proxies must be lodged at the Company's registered office 48 hours before the time fixed for holding the Annual General Meeting.