

Registered number: 05847940

Admiral Taverns (Max) Limited

Directors' report and financial statements

For the Period Ended 2 June 2018

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Admiral Taverns (Max) Limited

Company Information

Directors	A Clifford G Pearson K Georgel
Company secretary	A G Secretarial Limited
Registered number	05847940
Registered office	150 Aldersgate Street London EC1A 4EJ
Independent auditor	Ernst & Young LLP 2 St Peters Square Manchester M2 3EY
Solicitors	Addleshaw Goddard Milton Gate 60 Chiswell Street London EC1Y 4AG

Admiral Taverns (Max) Limited

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Admiral Taverns (Max) Limited

Directors' report For the Period Ended 2 June 2018

The directors present their report and the financial statements for the period ended 2 June 2018.

Directors' responsibilities statement

The directors are responsible for preparing 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Company is to act as a parent undertaking.

Business review

As the Company is a parent undertaking there is no operating activity other than the exceptional items in the prior year. These relate to a release of an intercompany provision of £13k, see note 10. The profit before tax is £1.8m (2017: £1.7m) as a result of £1.8m (2017: £1.7m) net interest income from group undertakings.

A comprehensive review of the state of affairs of the Group into which the Company is consolidated, including key performance indicators and key risks and uncertainties is contained in the report and financial statements of AT Brady Holdings Limited, the Company's ultimate parent undertaking incorporated in the United Kingdom at the period end.

Results and dividends

The profit for the period, after taxation, amounted to £1,751,000 (2017 - £1,671,000).

The directors do not recommend a final dividend (2017 - £nil).

Admiral Taverns (Max) Limited

Directors' report (continued) For the Period Ended 2 June 2018

Directors

The directors who served during the period were:

A Clifford
G Pearson
K Georgel

Disclosure of information to auditor

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

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

Post balance sheet events

On 16 October 2018 AT Brady Holdings Limited placed seven indirect subsidiaries into a Members Voluntary Liquidation as part of a group simplification.

Going concern

On 6 December 2017, the entire issued share capital of the AT Brit Holdings Group, the previous ultimate parent undertaking of the Admiral Taverns group of companies ("Group" or "Admiral Group"), was acquired through an injection of new equity funded by Proprium Capital Partners ("Proprium"), C&C Group Plc ("C&C") and the existing Admiral management team, combined with the introduction of new third-party debt from Intermediate Capital Group plc ("ICG") which has a term of seven years.

The Directors have reviewed short and medium term cash forecasts, as part of the annual budget review, compared to the Group's available financing and have concluded that sufficient resources exist to enable the Group to meet its liabilities as they fall due for at least twelve months from the date of approval of the accounts. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Group confirms that any amounts due from any subsidiary company of AT Brady Holdings Limited to any other subsidiary of the AT Brady Holdings group, which are currently not due, will not be recalled within a period of at least twelve months from signing these financial statements.

Auditor

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 October 2018 and signed on its behalf.



G Pearson
Director

Independent auditor's report to the shareholders of Admiral Taverns (Max) Limited

Opinion

We have audited the financial statements of Admiral Taverns (Max) Limited (the 'Company') for the period ended 2 June 2018, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes 1 to 19. 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 2 June 2018 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.

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 other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information.

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.

Independent auditor's report to the shareholders of Admiral Taverns (Max) Limited (continued)

Other information (continued)

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.

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 Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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 Admiral Taverns (Max) Limited (continued)

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. This description forms part of our Auditor's report.

Use of our report

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



Alastair John Richard Nuttall (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP (Statutory auditor)

2 St Peters Square

Manchester

M2 3EY

Date: 30/10/18

Admiral Taverns (Max) Limited**Profit and loss account
For the Period Ended 2 June 2018**

		Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
	Note		
Exceptional administrative expenses	10	-	13
		<hr/>	<hr/>
Operating profit		-	13
Interest receivable and similar income	7	1,755	1,663
Interest payable and similar expenses	8	(4)	(5)
		<hr/>	<hr/>
Profit before tax		1,751	1,671
Tax on profit	9	-	-
		<hr/>	<hr/>
Profit for the financial period		<u>1,751</u>	<u>1,671</u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the profit and loss account.

The notes on pages 9 to 16 form part of these financial statements.

Admiral Taverns (Max) Limited
Registered number: 05847940

Balance sheet
As at 2 June 2018

	Note	2 June 2018 £000	3 June 2017 £000
Current assets			
Debtors	12	78,844	78,848
		<u>78,844</u>	<u>78,848</u>
Creditors: amounts falling due within one year	13	(84,157)	(85,912)
		<u>(84,157)</u>	<u>(85,912)</u>
Net current liabilities		(5,313)	(7,064)
Total assets less current liabilities		(5,313)	(7,064)
Net assets		(5,313)	(7,064)
Capital and reserves			
Called up share capital	16	-	-
Capital contribution reserve		52	52
Profit and loss account		(5,365)	(7,116)
		<u>(5,313)</u>	<u>(7,064)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 October 2018.



G Pearson
Director

The notes on pages 9 to 16 form part of these financial statements.

Admiral Taverns (Max) Limited**Statement of changes in equity
For the Period Ended 2 June 2018**

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total equity £000
At 28 May 2016	-	-	(8,787)	(8,787)
Profit for the period	-	-	1,671	1,671
Capital contribution in the period	-	52	-	52
At 3 June 2017	-	52	(7,116)	(7,064)
Profit for the period	-	-	1,751	1,751
At 2 June 2018	-	52	(5,365)	(5,313)

The notes on pages 9 to 16 form part of these financial statements.

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

1. General information

Admiral Taverns (Max) Limited is a limited liability company incorporated in England. The Registered Office is 150 Aldersgate Street, London, EC1A 4EJ.

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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Going concern

On 6 December 2017, the entire issued share capital of the AT Brit Holdings Group, the previous ultimate parent undertaking of the Admiral Taverns group of companies ("Group" or "Admiral Group"), was acquired through an injection of new equity funded by Proprium Capital Partners ("Proprium"), C&C Group Plc ("C&C") and the existing Admiral management team, combined with the introduction of new third-party debt from Intermediate Capital Group plc ("ICG") which has a term of seven years.

The Directors have reviewed short and medium term cash forecasts, as part of the annual budget review, compared to the Group's available financing and have concluded that sufficient resources exist to enable the Group to meet its liabilities as they fall due for at least twelve months from the date of approval of the accounts. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Group confirms that any amounts due from any subsidiary company of AT Brady Holdings Limited to any other subsidiary of the AT Brady Holdings group, which are currently not due, will not be recalled within a period of at least twelve months from signing these financial statements.

2.3 Cash flow

The Company, being a qualifying entity which has been included in the Group's consolidated financial statements that are publicly available, is exempt from the requirement to draw up a cash flow statement under FRS102.

2.4 Interest income

Interest income is recognised in the Profit and loss account using the effective interest rate.

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

2. Accounting policies (continued)

2.5 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 in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.7 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.

2.8 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.

2.9 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and key sources of estimation uncertainty in the financial statements:

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 15.

4. Auditor's remuneration

Auditor's remuneration for the financial period ended 2 June 2018 was paid by Admiral Taverns (Chester) Limited, a fellow group company. There are no non audit fees incurred in the period by the Company (2017: £nil).

5. Employees

All staff are employed and remunerated by Admiral Taverns (Chester) Limited, a fellow group company.

6. Directors' remuneration

The directors' remuneration are paid by Admiral Taverns (Chester) Limited, a fellow group company.

7. Interest receivable

	Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
Interest receivable from group companies	1,755	1,663
	<u>1,755</u>	<u>1,663</u>

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

8. Interest payable and similar expenses

	Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
Interest payable to group undertakings	4	5
	<u>4</u>	<u>5</u>

9. Taxation

	Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the period

The tax assessed for the period is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.83%). The differences are explained below:

	Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
Profit on ordinary activities before tax	1,751	1,671
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.83%)	333	331
Effects of:		
Expenses not deductible for tax purposes	-	966
Deferred tax not recognised	-	(330)
Group relief	594	-
Intergroup interest expense imputed for tax purposes	(927)	(967)
Total tax charge for the period	-	-

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

9. Taxation (continued)

Factors that may affect future tax charges

The standard rate of Corporation Tax in the UK has not changed since 1 April 2017 and is currently 19%. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 19%. The reduction of the main rate of corporation tax from 19% to 17% from 1 April 2020 was announced in the Summer Finance Bill 2016, which was substantively enacted on 6 September 2016. Any future profits will be taxed at the appropriate rate. Deferred tax as at 2 June 2018 has been calculated at 17%; being the substantively enacted rate at which the deferred tax is expected to reverse.

10. Exceptional items

	Period ended 2 June 2018 £000	Period ended 3 June 2017 £000
Release of provision for recovery of amounts owed by group undertakings	-	(13)
	<u>-</u>	<u>(13)</u>

The recoverability of amounts owed by group undertakings has been assessed against the net assets of the individual companies on a group basis. Provisions for recovery have been made across the group for those debtors where the group undertaking has negative net asset values at 2 June 2018.

11. Investments

The Company has fully impaired its investments in subsidiary undertakings in prior periods.

Details of the investments in which the Company (unless indicated) holds 20% or more of the nominal value of any class of share are as follows:

Name	Holding	Percentage Shareholding	Description
Admiral Taverns (780) Limited	Ordinary shares	100%	Pub company

The aggregate of the share capital and reserves as at 2 June 2018 and of the profit or loss for the 52 week period ended on that date for the subsidiary undertaking is as follows:

Name	Aggregate of share capital and reserves £000	Loss £000
Admiral Taverns (780) Limited	(69,521)	(1,587)

The above entity is unlisted and are incorporated in the United Kingdom.

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

12. Debtors

	2 June 2018 £000	3 June 2017 £000
Due after more than one year		
Amounts owed by group undertakings	28,500	28,500
	<u>28,500</u>	<u>28,500</u>
Due within one year		
Amounts owed by group undertakings	50,344	50,348
	<u>78,844</u>	<u>78,848</u>

Included within amounts owed by group companies is an unsecured loan of £28,500,000 to Admiral Taverns (780) Limited which was drawn on 30 May 2008 at an interest rate of LIBOR plus 1.5%. The loan is wholly repayable on 30 May 2018.

Also included in amounts owed by group undertakings is an unsecured loan of £50,000,000 to Admiral Taverns (780) Limited, which was drawn down in September 2006 at an interest rate of LIBOR plus 2% and is repayable on demand.

13. Creditors: Amounts falling due within one year

	2 June 2018 £000	3 June 2017 £000
Amounts owed to group undertakings	84,157	85,912
	<u>84,157</u>	<u>85,912</u>

14. Financial instruments

	2 June 2018 £000	3 June 2017 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>78,844</u>	<u>78,848</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(84,157)</u>	<u>(85,912)</u>

Admiral Taverns (Max) Limited

**Notes to the financial statements
For the Period Ended 2 June 2018**

15. Deferred taxation

Deferred taxation assets recognised in the financial statements are £nil (2017 - £nil).

Deferred taxation assets not recognised in the financial statements are as follows:

	2 June 2018 £000	3 June 2017 £000
Tax losses	5,562	5,423
	<u>5,562</u>	<u>5,423</u>

The deferred tax asset in relation to tax losses is not recognised in the financial statements due to the uncertainty of when these losses will be utilised by the Company.

Admiral Taverns (Max) Limited

Notes to the financial statements For the Period Ended 2 June 2018

16. Share capital

	2 June 2018 £000	3 June 2017 £000
Allotted, called up and fully paid		
1 (2017 - 1) Ordinary share of £1.00	-	-
	<u> </u>	<u> </u>

17. Related party transactions

The Company has taken advantage of the exemption not to disclose transactions with other wholly owned members of the AT Brady Holdings Limited group.

There are no other related party transactions requiring disclosure in the financial statements.

18. Post balance sheet events

On 16 October 2018 AT Brady Holdings Limited placed seven indirect subsidiaries into a Members Voluntary Liquidation as part of a group simplification.

19. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Admiral Taverns Bidco Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent undertaking and controlling party is PSSF Brady (Cayman) Limited, an entity incorporated in the Cayman Islands.

The group financial statements of the AT Brady Holdings Limited group incorporated in the United Kingdom, being the smallest consolidated financial statements including the results of the Company, will be available to the public and may be obtained from the registered office of AT Brady Holdings Limited at Milton Gate, 60 Chiswell Street, London EC1Y 4AG.