

COMPANY REGISTRATION NUMBER: 07139073

LT Pub Management PLC
Financial statements
26 June 2022

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LT Pub Management PLC

Financial statements

Year ended 26 June 2022

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LT Pub Management PLC

Officers and professional advisers

The board of directors

Mr I G Robinson
Mr W A N Buchanan

Company secretary

Mr N Turpin

Registered office

31 Haverscroft Industrial Estate
New Road
Attleborough
Norfolk
United Kingdom
NR17 1YE

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

LT Pub Management PLC

Strategic report

Year ended 26 June 2022

Results

The consolidated income statement for the period is set out on page 10. Revenues for the year ended 26 June 2022 amounted to £3,051,963 (2021: £1,946,100) and the losses before tax amounted to £597,839 (2021: £1,066,231).

The Group balance sheet at 26 June 2022 showed net liabilities of £1,510,244 (2021: £642,865).

The Company paid dividends totalling £nil (2021: £nil) during the period.

Principal activities, review of the business and future developments

The principal activities of LT Pub Management plc group comprise a comprehensive range of front and back-office management services for owners of tenanted and managed pub estates, hotels, restaurants, other leisure and similar assets.

The activities generate income from a number of different arrangements, which are tailored to each client's needs, and include management fees and profit share arrangements. The entitlement to revenues and the responsibility for costs varies by agreement.

Business review

The consolidated income statement for the period is set out on page 10. Revenues amounted to £3,051,963 (2021: £1,946,100) and operating loss before depreciation and amortisation amounted to £486,295 (2021: £960,885).

Operating loss after depreciation of £37,372 (2021: £56,385) and amortisation of £49,350 (2021: £49,000) was £573,017 (2021: £1,066,270). The directors consider these measures to be the key performance indicators of the Group.

Principal risks and uncertainties

Recruitment and retention of managers

The recruitment and retention of highly skilled and professional managers continues to be a principal focus of the Group's management team since this is a key drive for the overall quality and profitability of the business. The market for good managers is very competitive and the Group continues to work closely with current and prospective managers to ensure the Group offers the right business environment for all parties to prosper.

Information technology

The daily operation of the Group is reliant on information technology for accounting, reporting and communications. There is a risk that serious disruption could occur if any of these systems were to fail for significant period of time.

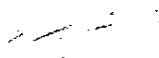
The risk is mitigated by business continuity plans to allow the business to function in the event of a major systems failure. The Group has controls in place to protect data including appropriate cloud back up.

LT Pub Management PLC

Strategic report *(continued)*

Year ended 26 June 2022

This report was approved by the board of directors on 23 June 2023 and signed on behalf of the board by:



Mr W A N Buchanan
Director

Registered office:
31 Haverscroft Industrial Estate
New Road
Attleborough
Norfolk
United Kingdom
NR17 1YE

LT Pub Management PLC

Directors' report

Year ended 26 June 2022

The directors present their report and the financial statements of the group for the year ended 26 June 2022.

Directors

The directors who served the company during the year were as follows:

Mr I G Robinson
Mr W A N Buchanan

Dividends

The directors do not recommend the payment of a dividend.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 group and the company and the profit or loss of the group for that period.

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

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

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

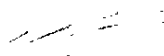
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

LT Pub Management PLC

Directors' report *(continued)*

Year ended 26 June 2022

This report was approved by the board of directors on 23 June 2023 and signed on behalf of the board by:



Mr W A N Buchanan
Director

Registered office:
31 Haverscroft Industrial Estate
New Road
Attleborough
Norfolk
United Kingdom
NR17 1YE

LT Pub Management PLC

Independent auditor's report to the members of LT Pub Management PLC

Year ended 26 June 2022

Opinion

We have audited the financial statements of LT Pub Management PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 26 June 2022 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows 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 FRS 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 26 June 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

Material uncertainty related to going concern

We draw attention to note 3 of the financial statements, which indicates that the group incurred a net loss of £867,379 during the year ended 26 June 2022 and, as of that date, the group's current liabilities exceeded its total assets by £1,510,244. As stated in note 3, these events or conditions, along with other matters set forth in note 3, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to trade as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Key audit matters

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

LT Pub Management PLC

Independent auditor's report to the members of LT Pub Management PLC *(continued)*

Year ended 26 June 2022

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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 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, 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.

LT Pub Management PLC

Independent auditor's report to the members of LT Pub Management PLC

(continued)

Year ended 26 June 2022

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.

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:

- Enquiry of management and those charged with governance to confirm there are no instances of fraud or non-compliance with laws and regulations.
- Review of key accounting estimates, to ensure reasonable and no signs of management bias.
- Review of disclosures within the financial statements and vouching these to supporting documentation to ensure compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the rationale of significant transactions outside the normal scope of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

LT Pub Management PLC

Independent auditor's report to the members of LT Pub Management PLC (continued)

Year ended 26 June 2022

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.

Gary Platt FCA FCCA (Senior Statutory Auditor)



For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

23 June 2023

LT Pub Management PLC

Consolidated statement of comprehensive income

Year ended 26 June 2022

		2022	2021
	Note	£	(restated)
		£	£
Turnover	4	3,051,963	1,946,100
Cost of sales		(1,610,033)	(1,077,719)
Gross profit		1,441,930	868,381
Administrative expenses		(2,026,550)	(2,155,809)
Other operating income	5	11,603	221,158
Operating loss	6	(573,017)	(1,066,270)
Other interest receivable and similar income	10	26	39
Interest payable and similar expenses	11	(24,848)	–
Loss before taxation		(597,839)	(1,066,231)
Tax on loss	12	(269,540)	368,183
Loss for the financial year and total comprehensive income		<u>(867,379)</u>	<u>(698,048)</u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Consolidated statement of financial position

26 June 2022

		2022	2021 (restated)
	Note	£	£
Fixed assets			
Intangible assets	13	363,650	413,000
Tangible assets	14	<u>30,571</u>	<u>79,828</u>
		394,221	492,828
Current assets			
Stocks	16	12,795	4,495
Debtors	17	1,041,625	683,697
Cash at bank and in hand		<u>6,922,633</u>	<u>815,506</u>
		7,977,053	1,503,698
Creditors: Amounts falling due within one year	19	<u>(9,418,383)</u>	<u>(2,196,435)</u>
Net current liabilities		(1,441,330)	(692,737)
Total assets less current liabilities		(1,047,109)	(199,909)
Creditors: Amounts falling due after more than one year	20	(750,000)	(1,000,000)
Provisions	21	<u>286,865</u>	<u>557,044</u>
Net liabilities		<u>(1,510,244)</u>	<u>(642,865)</u>
Capital and reserves			
Called up share capital	26	55,001	55,001
Share premium account	27	470,000	470,000
Profit and loss account	27	<u>(2,035,245)</u>	<u>(1,167,866)</u>
Shareholders deficit		<u>(1,510,244)</u>	<u>(642,865)</u>

These financial statements were approved by the board of directors and authorised for issue on 23 June 2023 and are signed on behalf of the board by:

Mr W A N Buchanan
Director

Company registration number: 07139073

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Company statement of financial position

26 June 2022

		2022	2021 (restated)
	Note	£	£
Fixed assets			
Investments	15	987,070	987,070
Current assets			
Debtors	17	493,822	493,822
Cash at bank and in hand		256	552,897
		<u>494,078</u>	<u>1,046,719</u>
Creditors: Amounts falling due within one year	19	—	(552,599)
Net current assets		<u>494,078</u>	<u>494,120</u>
Total assets less current liabilities		<u>1,481,148</u>	<u>1,481,190</u>
Capital and reserves			
Called up share capital	26	55,000	55,000
Share premium account	27	470,000	470,000
Profit and loss account	27	956,148	956,190
Shareholders funds		<u>1,481,148</u>	<u>1,481,190</u>

The loss for the financial year of the parent company was £43 (2021: £Nil).

These financial statements were approved by the board of directors and authorised for issue on 23 June 2023 and are signed on behalf of the board by:


Mr W A N Buchanan
Director

Company registration number: 07139073

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Consolidated statement of changes in equity

Year ended 26 June 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total
At 27 June 2020	55,001	470,000	(469,818)	55,183
Loss for the year	—	—	(698,048)	(698,048)
Total comprehensive income for the year	—	—	(698,048)	(698,048)
At 26 June 2021	55,001	470,000	(1,167,866)	(642,865)
Loss for the year	—	—	(867,379)	(867,379)
Total comprehensive income for the year	—	—	(867,379)	(867,379)
At 26 June 2022	<u>55,001</u>	<u>470,000</u>	<u>(2,035,245)</u>	<u>(1,510,244)</u>

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Company statement of changes in equity

Year ended 26 June 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 27 June 2020	55,000	470,000	956,190	1,481,190
Profit for the year	—	—	—	—
At 26 June 2021	55,000	470,000	956,191	1,481,191
Loss for the year	—	—	(43)	(43)
Total comprehensive income for the year	—	—	(43)	(43)
At 26 June 2022	<u>55,000</u>	<u>470,000</u>	<u>956,148</u>	<u>1,481,148</u>

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Consolidated statement of cash flows

Year ended 26 June 2022

	Note	2022 £	2021 (restated) £
Cash flows from operating activities			
Loss for the financial year		(867,379)	(698,048)
<i>Adjustments for:</i>			
Depreciation of tangible assets		37,372	56,385
Amortisation of intangible assets		49,350	49,000
Government grant income		(6,553)	(161,137)
Other interest receivable and similar income		(26)	(39)
Interest payable and similar expenses		24,848	–
Loss on disposal of tangible assets		11,885	–
Tax on loss		269,540	(368,183)
Accrued (income)/expenses		(12,373)	30,417
<i>Changes in:</i>			
Stocks		(8,300)	13,000
Trade and other debtors		(357,928)	259,000
Trade and other creditors		6,761,807	152,429
Cash generated from operations		5,902,243	(667,176)
Interest paid		(24,848)	–
Interest received		26	39
Tax received		639	–
Net cash from/(used in) operating activities		<u>5,878,060</u>	<u>(667,137)</u>
Cash flows from investing activities			
Purchase of tangible assets		–	(1,948)
Net cash used in investing activities		<u>–</u>	<u>(1,948)</u>
Cash flows from financing activities			
Repayments of borrowings		(250,000)	–
Government grant income		6,553	161,137
Net cash (used in)/from financing activities		<u>(243,447)</u>	<u>161,137</u>
Net increase/(decrease) in cash and cash equivalents		5,634,613	(507,948)
Cash and cash equivalents at beginning of year		801,052	1,309,000
Cash and cash equivalents at end of year	18	<u>6,435,665</u>	<u>801,052</u>

The notes on pages 16 to 27 form part of these financial statements.

LT Pub Management PLC

Notes to the financial statements

Year ended 26 June 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 31 Haverscroft Industrial Estate, New Road, Attleborough, Norfolk, NR17 1YE, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

Going concern

The group funds its working capital requirements through a fixed term bank loan due for repayment in 2026 and an overdraft facility. Whilst there are no covenants attached to the facilities, the overdraft is required to be reviewed on a 6 month rolling basis. The group is reliant on this to support them in paying their creditors as they fall due. These facilities are held by a fellow group company, and the group is reliant on this company to support them in paying their creditors as they fall due.

As well as the ongoing support of the bank within the subsidiary company, the group also has the ongoing support of its creditors.

As the group operates in the hospitality industry, the group have been severely impacted by the COVID-19 pandemic. As such, considerable losses were incurred throughout the pandemic. Since the re-opening of the industry, the results for both trading companies within the group have improved. Since the year end, new work has been won, and as such the directors have prepared forecasts which take in to account the expectation of new service contracts being entered in to over the going concern period. These forecasts indicate that the company have adequate resources to continue in operational existence for the duration of the 12 month going concern period. For this reason, the directors continue to adopt the going concern basis of accounting in preparing these financial statements. However, a material uncertainty exists, in relation to the overdraft facility being renewed for the duration of the going concern, which may cast significant doubt on the company's ability to continue as a going concern.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of LT Pub Management PLC and all of its subsidiary undertakings.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

3. Accounting policies *(continued)*

Consolidation *(continued)*

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements 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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

3. Accounting policies *(continued)*

Goodwill *(continued)*

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 5% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property - 10% straight line
Equipment - 33% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

3. Accounting policies *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

4. Turnover

Turnover arises from:

	2022	2021 <i>(restated)</i>
	£	£
Drink and food sales	965,851	271,664
Management services income	2,086,112	1,674,436
	<u>3,051,963</u>	<u>1,946,100</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2022	2021 <i>(restated)</i>
	£	£
Government grant income	6,553	161,137
Other operating income	5,050	60,021
	<u>11,603</u>	<u>221,158</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2022	2021 <i>(restated)</i>
	£	£
Amortisation of intangible assets	49,350	49,000
Depreciation of tangible assets	37,372	56,385
Loss on disposal of tangible assets	11,885	—
Impairment of trade debtors	20,447	84,067
	<u>118,054</u>	<u>189,452</u>

7. Auditor's remuneration

	2022	2021 <i>(restated)</i>
	£	£
Fees payable for the audit of the financial statements	<u>30,500</u>	<u>33,000</u>

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2022 No.	2021 No.
Managerial	3	4
Clerical admin staff	26	29
Pub operational	9	9
	<u>38</u>	<u>42</u>

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

8. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021 <i>(restated)</i>
	£	£
Wages and salaries	976,049	1,318,214
Social security costs	111,511	94,211
Other pension costs	15,307	17,943
	<u>1,102,867</u>	<u>1,430,368</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021 <i>(restated)</i>
	£	£
Remuneration	242,415	272,965
Company contributions to defined benefit pension plans	1,321	—
	<u>243,736</u>	<u>272,965</u>

Remuneration of the highest paid director in respect of qualifying services:

	2022	2021 <i>(restated)</i>
	£	£
Aggregate remuneration	<u>212,965</u>	<u>212,965</u>

10. Other interest receivable and similar income

	2022	2021 <i>(restated)</i>
	£	£
Other interest receivable and similar income	<u>26</u>	<u>39</u>

11. Interest payable and similar expenses

	2022	2021 <i>(restated)</i>
	£	£
Other interest payable and similar charges	<u>24,848</u>	<u>—</u>

12. Tax on loss

Major components of tax income

	2022	2021 <i>(restated)</i>
	£	£
Current tax:		
UK current tax income	(639)	—

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

12. Tax on loss *(continued)*

	2022	2021 <i>(restated)</i>
	£	£
Deferred tax:		
Origination and reversal of timing differences	270,179	(368,183)
Tax on loss	<u>269,540</u>	<u>(368,183)</u>

Reconciliation of tax expense/(income)

The tax assessed on the loss on ordinary activities for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are explained below:-

	2022	2021 <i>(restated)</i>
	£	£
Loss on ordinary activities before taxation	(597,839)	(1,066,231)
Loss on ordinary activities by rate of tax	(113,589)	(202,584)
Effect of expenses not deductible for tax purposes	271	—
Effect of capital allowances and depreciation	17,441	9,310
Utilisation of tax losses	(14,780)	—
Unused tax losses	112,136	193,274
Deferred tax movement	270,179	(368,183)
Expenses deductible on a paid basis	(2,118)	—
Tax on loss	<u>269,540</u>	<u>(368,183)</u>

Factors that may affect future tax expense

The standard rate of UK corporation tax for the period was 19.0% (2021: 19.0%). In March 2021, the UK Government announced an increase in the UK corporation tax rate. Finance Bill 2021 was substantively enacted on 24 May 2021 increasing the UK corporation tax rate to 25.0% from 1 April 2023. As a result, the relevant deferred taxation balances have been measured using the rates expected to apply when the deferred tax balances reverse.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

13. Intangible assets

Group	Goodwill £
Cost	
At 27 June 2021 (as restated) and 26 June 2022	<u>987,000</u>
Amortisation	
At 27 June 2021	574,000
Charge for the year	<u>49,350</u>
At 26 June 2022	<u>623,350</u>
Carrying amount	
At 26 June 2022	<u>363,650</u>
At 26 June 2021	<u>413,000</u>

The company has no intangible assets.

The goodwill carried forward of £363,650 (2021: £413,000) relates to the acquisition of the business.

14. Tangible assets

Group	Short leasehold property £	Equipment £	Total £
Cost			
At 27 June 2021 (as restated)	160,501	602,735	763,236
Disposals	<u>(34,184)</u>	<u>—</u>	<u>(34,184)</u>
At 26 June 2022	<u>126,317</u>	<u>602,735</u>	<u>729,052</u>
Depreciation			
At 27 June 2021	126,175	557,233	683,408
Charge for the year	4,142	33,230	37,372
Disposals	<u>(22,299)</u>	<u>—</u>	<u>(22,299)</u>
At 26 June 2022	<u>108,018</u>	<u>590,463</u>	<u>698,481</u>
Carrying amount			
At 26 June 2022	<u>18,299</u>	<u>12,272</u>	<u>30,571</u>
At 26 June 2021	<u>34,326</u>	<u>45,502</u>	<u>79,828</u>

The company has no tangible assets.

15. Investments

The group has no investments.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

15. Investments *(continued)*

Company	Other investments other than loans £
Cost	
At 27 June 2021 as restated and 26 June 2022	987,070
Impairment	
At 27 June 2021 as restated and 26 June 2022	—
Carrying amount	
At 27 June 2021 as restated and 26 June 2022	987,070
At 26 June 2021	987,070

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
LT Pub Support Services Limited	Ordinary	100
LT Management Services Limited	Ordinary	100
LT Pubs Limited	Ordinary	100

Investments in associates and joint ventures

All the above companies are registered in the United Kingdom and their registered office is 31 Haverscroft Industrial Estate, New Road, Attleborough, Norfolk, NR17 1YE.

16. Stocks

	Group 2022	2021 <i>(restated)</i>	Company 2022	2021 <i>(restated)</i>
	£	£	£	£
Finished goods and goods for resale	12,795	4,495	—	—

17. Debtors

	Group 2022	2021 <i>(restated)</i>	Company 2022	2021 <i>(restated)</i>
	£	£	£	£
Trade debtors	150,895	157,616	—	—
Amounts owed by group undertakings	—	—	493,822	493,822
Prepayments and accrued income	867,562	423,556	—	—
Other debtors	23,168	102,525	—	—
	<u>1,041,625</u>	<u>683,697</u>	<u>493,822</u>	<u>493,822</u>

LT Pub Management PLC

Notes to the financial statements (continued)

Year ended 26 June 2022

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2022	2021 (restated)
	£	£
Cash at bank and in hand	6,922,633	815,506
Bank overdrafts	(486,968)	(14,454)
	<u>6,435,665</u>	<u>801,052</u>

19. Creditors: Amounts falling due within one year

	Group 2022	2021 (restated)	Company 2022	2021 (restated)
	£	£	£	£
Bank loans and overdrafts	736,968	264,454	—	—
Payments received on account	391,539	—	—	—
Trade creditors	780,363	725,332	—	—
Accruals and deferred income	83,044	95,417	—	—
Social security and other taxes	96,921	125,871	—	—
Other creditors	7,329,548	985,361	—	552,599
	<u>9,418,383</u>	<u>2,196,435</u>	<u>—</u>	<u>552,599</u>

The bank loan is secured against the assets of the company and the group.

The bank loan are repayable by monthly installments and are accruing interest at a rate of 3.45% above base rate.

20. Creditors: Amounts falling due after more than one year

	Group 2022	2021 (restated)	Company 2022	2021 (restated)
	£	£	£	£
Bank loans and overdrafts	<u>750,000</u>	<u>1,000,000</u>	<u>—</u>	<u>—</u>

The bank loan is secured against the assets of the company and the group.

The bank loan are repayable by monthly installments and are accruing interest at a rate of 3.45% above base rate.

21. Provisions

Group	Deferred tax (note 22)
	£
At 27 June 2021 (as restated)	(557,044)
Additions	270,179
At 26 June 2022	<u>(286,865)</u>

The company does not have any provisions.

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2022	2021 (restated)	2022	2021 (restated)
	£	£	£	£
Included in provisions (note 21)	<u>(286,865)</u>	<u>(557,044)</u>	<u>—</u>	<u>—</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2022	2021 (restated)	2022	2021 (restated)
	£	£	£	£
Accelerated capital allowances	(390)	10,220	—	—
Unused tax losses	(285,854)	(564,785)	—	—
Deferred tax - other timing differences	<u>(621)</u>	<u>(2,479)</u>	<u>—</u>	<u>—</u>
	<u>(286,865)</u>	<u>(557,044)</u>	<u>—</u>	<u>—</u>

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £15,307 (2021: £17,943).

24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2022	2021 (restated)	2022	2021 (restated)
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	<u>6,553</u>	<u>161,137</u>	<u>—</u>	<u>—</u>

25. Prior period errors

The financial statements have been restated to incorporate the balance of cash held by the group on behalf of its clients.

Current assets and current liabilities have been restated by £552,599. The impact on profit is £nil.

26. Called up share capital

Issued, called up and fully paid

	2022		2021 (restated)	
	No.	£	No.	£
Ordinary shares of £1 each	<u>55,001</u>	<u>55,001</u>	<u>—</u>	<u>—</u>

LT Pub Management PLC

Notes to the financial statements *(continued)*

Year ended 26 June 2022

27. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

28. Analysis of changes in net debt

	At 27 June 2021	Cash flows	At 26 June 2022
	£	£	£
Cash at bank and in hand	815,506	6,107,127	6,922,633
Bank overdrafts	(14,454)	(472,514)	(486,968)
Debt due within one year	(250,000)	—	(250,000)
Debt due after one year	(1,000,000)	250,000	(750,000)
	<u>(448,948)</u>	<u>5,884,613</u>	<u>5,435,665</u>

29. Related party transactions

Company

The Group earned fees of £267,796 for the period (2021:£228,667) from companies which had common directors or control. There is £5,885 outstanding at 26 June 2022 (2021:£7,251)

30. Controlling party

The ultimate controlling party is Lord Ashcroft KCMG PG. The immediate parent undertaking is Burac Trade & Invest Corp, a company incorporated in the British Virgin Islands.