Registered number: 07680490

CIRRUS INNS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 26 JUNE 2022

COMPANY INFORMATION

Directors	A Langlands - Pearse S R Hope (appointed 16 December 2022) J R Lawson (appointed 16 December 2022)
Registered number	07680490
Registered office	Cox's Green Havyatt Road Wrington Bristol BS40 5PA
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 26 JUNE 2022

Business review

The principal activity of the Group is the purchase and management of freehold and leasehold pubs in London together with freehold and leasehold pubs with rooms in the Countryside.

As at 26 June 2022, in addition to 17 freehold sites, the Group also holds five long term leasehold properties as well as its 50% interest in the Jack Russell pub. The core focus of the Group remains on the countryside, but with 5 London sites the Group's estate is diversified for seasonality. Two sites were disposed during the period for proceeds of £1.85 million.

The current financial period saw a return to broadly pre-COVID levels of turnover and profitability, albeit helped by government support measures including lower rates of VAT on food and room revenue, business rates relief and government grants.

The Group has continued to face disruption during the period due to Covid-19. In December 2021 the

Omicron variant of Covid-19 caused more disruption to trade over the important 2021 festive season and

continued in the early part of 2022.

Despite these challenges, the rollout of the vaccination programme to control Covid-19 has helped to ensure the

return to normality allowing the pubs to trade without any restrictions at the end of the period.

In April 2022, Cirrus Inns Holdings Limited agreed a new £8.5m loan with Metrobank. This loan had a term of 6 years, taking the facility out to April 2028.

In March 2022, shares that were previously classified as debt as preference shares within the Group were converted into A ordinary and deferred shares.

At the period end date the Group had a shareholder loan in the amount of £3m that was due for repayment in

August 2022.

As a result of the post balance sheets events explained below, on 26 June 2022 the company changed its

accounting policy for fixed assets. Fixed assets are now held under the revaluation model, rather than historic

cost less depreciation. This change in model means that goodwill has been impaired in full as any remaining

goodwill is inherent in the tangible fixed asset valuation which is based on future trading potential.

<u>Post year end</u>

On 16 December 2022 the Group announced that it had merged with The Liberation Group (TLG), the Channel Islands and West Country brewer and retailer. The merger gives the combined entity an enterprise value of circa £200m. The merger was structured as an acquisition of 100% of the shares in Cirrus Inns Holdings Limited by Liberation's subsidiary Butcombe Brewery Limited.

As part of the merger, the combined group received new investment from existing shareholders. The Cirrus Inns shareholders injected £6,200,000 of new equity into new preference shares issued by Liberation Group's parent entity. These new funds (via an intercompany loan from TLG) allowed Cirrus Inns Holdings to fully repay both the £8.5m loan that it had with Metrobank and the £50k bounce back loan facility also through Metrobank. Additionally, the shareholder loans totalling some £3m were converted into equity in Cirrus Inns Holdings at the time of the merger.

With the bank debt repaid to Metrobank and the shareholder loans converted to equity, Cirrus Inns Holdings and its subsidiaries entered the merger with The Liberation Group in a position of free from external debt.

In December 2022, The Liberation Group agreed new credit facilities with its existing lenders. The new facilities consisted of a £44.15m loan over a period of 4 years and is repayable in January 2027. This is a reduction from the previous debt of £50.5m prior to the merger. There is also a new £10m revolving credit facility (RCF) which can be used for working capital or capital expenditure and acquisitions. This RCF is undrawn and fully available as at the date of signing these financial statements.

The merger has enabled the combined business to reduce its debt and as a result has significantly strengthened the Group's balance sheet.

On 26 February 2023, the trade and assets of the Company's two subsidiary companies Cirrus Inns Limited and Farm Street Inns Limited were "hived up" by transferring them to Butcombe Brewery Limited at market value. From this date onwards these subsidiaries ceased to trade and therefore the Directors have concluded that the Company has also ceased to be a going concern and these financial statements have been prepared on this basis. Management have opted to change the fixed asset accounting policy from the historical cost model to the revaluation model, so that the fixed assets in the financial statements reflect the market value, being the value transferred on hive up. Immediately prior to the hive up the Company released the two subsidiaries from the intercompany loans owed to the company as disclosed in note 18.

Principal risks and uncertainties

As a result of the hive up of the trade and assets of the subsidiaries after the balance sheet date and the Group

ceasing to trade the directors consider it is not necessary to provide a statement of risks and uncertainties.

Financial key performance indicators

The directors monitor the Group's performance through a number of financial indicators the main measurementsare like for like turnover, EBITDA and net cash flow from operating activity.

Directors' statement of compliance with duty to promote the success of the Group (Section 172)

The Directors are aware of their duties under s172 of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely to promote success of the Group for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

• the likely consequences of any decision in the long-term

• the interests of the group's employees,

• the need to foster the group's business relationships with suppliers, customers, and others,

• the impact of the group's operations on the community and the environment,

• the desirability of the group maintaining a reputation for high standards of business conduct, and

• the need to act fairly between members of the group.

In respect of these matters, the Directors regularly consider and discuss the following:

Long term impact

The Group and its Leadership Team regularly reviews medium to long range business forecasts and the impact that strategic and tactical decisions can have on those plans as well as measure key performance indicators. These are debated, challenged and approval is subsequently sought from the Board.

Employees

Regular employee communication from the leadership team is carried out through in-person team briefings as well as emails and online Teams calls. Communication to and from all employees is encouraged and regular independent feedback questionnaires are issued. Employees can nominate and vote on monthly “Above & Beyond” and annual employee awards and are also encouraged to show respect and gratitude through the HR online “notice board”. The Group actively provides training and promotional opportunities to employees who demonstrate their aptitude and alignment with the Group values.

Customers

The Group seeks to promote premium and seamless service delivery at every stage of the customer journey, right from creating market awareness, through the booking process, every area of operation, to the departure and follow up, whilst celebrating the British Countryside. In London, the pubs aim to give the Countryside feel.

All our services, right from the arrival experience, the quality and generosity of the bedroom amenities, the food sourcing, menu design and presentation (to name but a few) are thoroughly thought through to make sure every possible touch point with the customer is as good as it can be.

We actively engage with all online review platforms and track our performance – not just of the reviewers score, but how we handle each review. During the pandemic, we adjusted our policies so that our customers would not be disappointed and ought to communicate that with them via direct and indirect media.

Suppliers

We always seek long term partnerships with our suppliers (local if possible), maintaining regular communication and adhering to agreed payment terms so as to ensure regularity of supply and quality.

Small, local suppliers were supported through the pandemic, making sure payments were made on time and suppliers were prepared for reopening demands. Some of our trade suppliers were able to redirect their product to our local communities during the first lockdown (when high street retailers were struggling and our wholesale suppliers had no customers) via local collection.

Directors' statement of compliance with duty to promote the success of the Group (Section 172) (continued)

Community & Environment

We look to recruit locally or provide housing for those from further afield to be able reside locally and reduce commuting time and cost. We are reviewing long term sustainability and waste and made positive changes through training our employees.

Standards & Quality

Standard Operating Procedures and Risk Assessments are written and regularly updated to make sure operations are both best practice and safe for our employees and customers.

We regularly benchmark our financial and customer review performance against our competitors.

Acting fairly between stakeholders

The Directors seek to ensure that employees, customers & suppliers are all communicated with and treated fairly as they acknowledge that engagement from all parties means a better result for all stakeholders in the end.

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

S R Hope	**A Langlands - Pearse**
Director	Director

Date: 16 March 2023

DIRECTORS' REPORT
FOR THE PERIOD ENDED 26 JUNE 2022

The directors present their report and the financial statements for the period ended 26 June 2022.

Directors' responsibilities statement

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

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

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make 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 Group will continue in business.

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

Principal activity

The group is principally engaged in the freehold ownership, operation and expansion of pubs.

Results and dividends

The loss for the period, after taxation, amounted to £6,225,516 *(2021 - loss £4,088,540)*.

Directors

The directors who served during the period were:

C Butterworth (resigned 16 December 2022)
A de Carvalho (resigned 16 December 2022)
K K Goundar (appointed 4 August 2021, resigned 16 December 2022)
J Holder (resigned 16 December 2022)
E M J Jouhki (resigned 16 December 2022)
R Northcott (resigned 28 April 2022)
A Langlands - Pearse

Employee involvement

Cirrus Inns Holdings Limited values the contribution of its employees at all levels, encourages, and facilitates all employees to have meaningful learning and development plans with appropriate development opportunities identified at all levels to help reinforce this focus on employee engagement. The company provides regular and up-to-date information about its products, services and operations to employees in a variety of ways. Regular meetings are held with employees to consult, explain and discuss matters affecting employee's interests.

Employment of disabled persons

All applicants for employment, transfer and promotion of disabled persons and employees who become disabled are viewed on the same term as other employees. Reasonable adjustments are considered and appropriate training or retraining is provided as necessary.

Greenhouse gas emissions, energy consumption and energy efficiency action

The emissions have been calculated and reported in line with GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2022.

The reporting period is the fiscal year of 28 June 2021 to 30 June 2022.

Data has been collected and analysed from the following sources:

• Electricity: EAQ (estimated annual consumption) data

• Gas: EAQ (estimated annual consumption) data

• Propane: total litres per site

• Business travel via personal cars used for business purposes (mileage details)

Electricity & gas consumption data is via estimated annual consumption per site. Propane is via recorded litres and transport via recorded mileage.

Total Energy Consumption for the reporting year amounted to 5,958,679.28 kWh (5,958.68 MWh).

Scope 1 emissions in metric tonnes tCO2e

Gas & propane - 658.01

Scope 2 emissions in metric tonnes tCO2e

Purchased electricity - 488.59

Scope 3 emissions in metric tonnes tCO2e

Electricity T&D & transport - 112.29

Emissions have increased by 82.94% compared to financial year 2021, which is due to our business returning to usual operating hours following the covid lockdowns.

The emissions intensity metric ratio has been based on the (GHG) emissions produced by CIR measured in tonnes of carbon dioxide equivalent (tCO2e) against £/turnover during the fiscal year.

A total of 1,258.88 (tCO2e) / 20,927,950 = 0.0000602 tCO2e (0.0602 kg CO2e), which is a 9% reduction compared to FY 21.

Improvements and Plans

Cirrus Inns Holdings continues to review energy saving measures and maintains an accurate record of improvements that have been made to reduce energy, emissions, and cost. Over the past twelve months the following physical changes have been implemented along with the introduction of behavioural change measures for staff to inform energy users on how to cut costs have also been released.

• Continue to install ECO boilers across our estate when required

• Continue to install LED lighting within our estate

• Staff are being encouraged to turn off appliances when not in use

• Turning external lighting off during daytime hours

Cirrus Inns Holdings Ltd is dedicated to reducing the amount of GHG produced each year and reducing its carbon footprint and continues to look at our operations and challenge ourselves to improve.

Objectives for FY 2022 / 2023

1) Reduce our baseline electricity consumption by 2%.

2) Lighting: Continue to evolve and install low energy lighting across our building portfolio.

3) Continual review of existing policies.

4) Prepare for the energy savings opportunity scheme (ESOS) phase 3 compliance process.

Disclosure of information to auditors

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

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

Going concern and future developments

The directors consider the Group is not a going concern as at the date of signing these financial statements

and have therefore prepared the financial statements on a basis other than going concern.

See note 2.3 for details on the going concern status of the Group.

Auditors

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

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

S R Hope
Director

Date: 16 March 2023

A Langlands - Pearse
Director

Date: 16 March 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIRRUS INNS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Cirrus Inns Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 26 June 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 26 June 2022 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to note 2.3 of the financial statements which explains that post year end the group has ceased to trade and therefore the Directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2.3. Our opinion is not modified in respect of this matter.

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIRRUS INNS HOLDINGS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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

Andrew Ball (Senior Statutory Auditor)
for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

16 March 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 26 JUNE 2022

	Note	2022 £	2021 £
Turnover	4	**20,335,274**	*9,858,133*
Cost of sales		**(5,356,681)**	*(2,811,314)*
Gross profit		**14,978,593**	*7,046,819*
Administrative expenses		**(16,620,145)**	*(13,641,516)*
Impairment of tangible fixed assets		**(2,523,144)**	-
Other operating income	5	**1,244,481**	*3,884,064*
Impairment of goodwill and other intangible assets		**(9,188,916)**	-
Gain on disposal of subsidiary	16	**2,000,000**	-
Operating loss		**(10,109,131)**	*(2,710,633)*
Share of profit of joint venture		**(297)**	*110,248*
Total operating loss		**(10,109,428)**	*(2,600,385)*
Income from fixed assets investments		**175,000**	-
Preference shares interest forgiven		**4,844,336**	-
Interest payable and expenses	11	**(1,135,424)**	*(1,488,155)*
Loss before tax		**(6,225,516)**	*(4,088,540)*
Loss for the financial period		**(6,225,516)**	*(4,088,540)*
Unrealised surplus on revaluation of tangible fixed assets		**14,327,951**	-
Deferred tax liability on fixed asset revaluation		**(2,544,724)**	-
Other comprehensive income for the period		**11,783,227**	-
Total comprehensive income for the period		**5,557,711**	*(4,088,540)*
Profit for the year attributable to:			
Owners of the parent company		**(6,225,516)**	*(4,088,540)*
		(6,225,516)	*(4,088,540)*

The notes on pages 22 to 44 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 26 JUNE 2022

	Note		26 June 2022 £		*27 June 2021 £*
Fixed assets					
Intangible assets	14		-		*9,766,775*
Tangible assets	15		**34,450,097**		*24,544,944*
Investments	16		**2,324,922**		*325,219*
			36,775,019		*34,636,938*
Current assets					
Stocks	17	**355,795**		*332,358*	
Debtors: amounts falling due within one year	18	**1,718,567**		*649,190*	
Cash at bank and in hand	19	**4,759,878**		*3,285,049*	
		6,834,240		*4,266,597*	
Creditors: amounts falling due within one year	20	**(16,518,782)**		*(19,915,494)*	
Net current liabilities			**(9,684,542)**		*(15,648,897)*
Total assets less current liabilities			**27,090,477**		*18,988,041*
Creditors: amounts falling due after more than one year	21		-		*(14,791,673)*
Provisions for liabilities					
Deferred tax		**(2,544,724)**		-	
			(2,544,724)		-
Net assets			**24,545,753**		*4,196,368*
Capital and reserves					
Called up share capital	23		**15,178,246**		*386,572*
Share premium account	24		**37,992,796**		*37,992,796*
Revaluation reserve	24		**14,327,951**		-
Other reserves	24		**(2,544,724)**		-
Profit and loss account	24		**(40,408,516)**		*(34,183,000)*
			24,545,753		*4,196,368*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 26 JUNE 2022

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

S R Hope
Director

Date: 16 March 2023

A Langlands - Pearse
Director

Date: 16 March 2023

The notes on pages 22 to 44 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 26 JUNE 2022

	Note		26 June 2022 £		27 June 2021 £
Fixed assets					
Investments	16		**20,001**		*20,001*
			20,001		*20,001*
Current assets					
Debtors: amounts falling due within one year	18	**80,100,821**		*76,943,955*	
Cash at bank and in hand	19	**2,004,378**		*730,986*	
		82,105,199		*77,674,941*	
Creditors: amounts falling due within one year	20	**(12,124,389)**		*(16,225,244)*	
Net current assets			**69,980,810**		*61,449,697*
Total assets less current liabilities			**70,000,811**		*61,469,698*
Creditors: amounts falling due after more than one year			-		*(14,791,673)*
Net assets excluding pension asset			**70,000,811**		*46,678,025*
Net assets			**70,000,811**		*46,678,025*
Capital and reserves					
Called up share capital	23		**15,178,246**		*386,572*
Share premium account	24		**37,992,796**		*37,992,796*
Profit and loss account brought forward		**8,298,657**		*(30,743,840)*	
Profit for the period		**8,531,112**		*39,042,497*	
Profit and loss account carried forward			**16,829,769**		*8,298,657*
			70,000,811		*46,678,025*

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

S R Hope
Director

A Langlands - Pearse
Director

Date: 16 March 2023

16 March 2023

The notes on pages 22 to 44 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 JUNE 2022

	Called up share capital	Share premium account	evaluation reserve	Other reserves	Profit and loss account	Equity ttributable to owners of parent Company	Total equity
	£	£	£	£	£	£	£
At 1 July 2020	386,572	37,992,796	-	-	30,094,460)	8,284,908	8,284,908
Comprehensive income for the year							
Loss for the year	-	-	-	-	(4,088,540)	(4,088,540)	(4,088,540)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(4,088,540)	(4,088,540)	(4,088,540)
Total transactions with owners	-	-	-	-	-	-	-
At 27 June 2021	386,572	37,992,796	-	-	34,183,000)	4,196,368	4,196,368

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE PERIOD ENDED 26 JUNE 2022

Comprehensive income for the period							
Loss for the period	-	-	-	-	(6,225,516)	(6,225,516)	(6,225,516)
Revaluation of fixed assets	-	-	14,327,951	-	-	14,327,951	14,327,951
Deferred tax on revaluation of fixed assets	-	-	-	(2,544,724)	-	(2,544,724)	(2,544,724)
Other comprehensive income for the period	-	-	14,327,951	(2,544,724)	-	11,783,227	11,783,227
Total comprehensive income for the period	-	-	14,327,951	(2,544,724)	(6,225,516)	5,557,711	5,557,711
Contributions by and distributions to owners							
Preference shares converted into ordinary shares	14,791,674	-	-	-	-	14,791,674	14,791,674
Total transactions with owners	14,791,674	-	-	-	-	14,791,674	14,791,674
At 26 June 2022	15,178,246	37,992,796	14,327,951	(2,544,724)	(40,408,516)	24,545,753	24,545,753

The notes on pages 22 to 44 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 JUNE 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 June 2020	386,572	37,992,796	(30,743,840)	7,635,528
Comprehensive income for the year				
Profit for the year	-	-	39,042,497	39,042,497
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	39,042,497	39,042,497
Total transactions with owners	-	-	-	-
At 28 June 2021	386,572	37,992,796	8,298,657	46,678,025
Comprehensive income for the year				
Profit for the period	-	-	8,531,112	8,531,112
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	8,531,112	8,531,112
Contributions by and distributions to owners				
Preference shares converted into ordinary shares	14,791,674	-	-	14,791,674
Total transactions with owners	14,791,674	-	-	14,791,674
At 26 June 2022	15,178,246	37,992,796	16,829,769	70,000,811

The notes on pages 22 to 44 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 26 JUNE 2022

	26 June 2022 £	*27 June 2021 £*
Cash flows from operating activities		
Loss for the financial period	**(6,225,516)**	*(4,088,540)*
Adjustments for:		
Profit on sale of tangible fixed assets	**(576,481)**	*775,571*
Depreciation of tangible fixed assets	**1,966,913**	*1,942,133*
Impairment of fixed assets	**2,523,144**	*-*
Unrealised gain on disposal of subsidiary	**(2,000,000)**	*27,410*
Net interest payable	**1,135,127**	*1,488,155*
Preference share interest forgiven	**(4,844,336)**	*-*
(Increase) in stocks	**(23,437)**	*(10,352)*
(Increase)/decrease in debtors	**(1,074,406)**	*369,790*
Increase in creditors	**786,310**	*1,687,831*
Impairment of intangible fixed assets	**9,766,775**	*-*
Share of profit/(loss) in joint venture	**297**	*(110,248)*
Net cash generated from operating activities	**1,434,390**	*2,081,750*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(56,393)**	*-*
Purchase of tangible fixed assets	**(1,209,067)**	*(608,484)*
Sale of tangible fixed assets	**1,850,000**	*-*
Net cash from investing activities	**584,540**	*(608,484)*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 26 JUNE 2022

	26 June 2022 £	27 June 2021 £
Cash flows from financing activities		
Other new loans	-	3,000,000
Interest paid	(544,101)	(260,037)
Net cash used in financing activities	(544,101)	2,739,963
Net increase in cash and cash equivalents	1,474,829	4,213,229
Cash and cash equivalents at beginning of period	3,285,049	(928,180)
Cash and cash equivalents at the end of period	4,759,878	3,285,049
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	4,759,878	3,285,049
	4,759,878	3,285,049

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 26 JUNE 2022

	At 28 June 2021 £	Cash flows £	At 26 June 2022 £
Cash at bank and in hand	3,285,049	1,474,829	4,759,878
Debt due within 1 year	(11,500,000)	-	(11,500,000)
	(8,214,951)	1,474,829	(6,740,122)

The notes on pages 22 to 44 form part of these financial statements.

1. General information

Cirrus Inns Holdings Limited is a private limited company, limited by shares incorporated in England. the registered office is Cox's Green, Havyatt Road, Wrington, Bristol, England, BS40 5PA.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The Company has adopted the following disclosure exemptions.

- the requirement of Section 7 Statement of Cash Flows;

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

2.2 Basis of consolidation

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

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

2.3 Going concern

In preparing the financial statements, the Directors have made an assessment of the entity's ability to

continue as a going concern.

On 26 February 2023, the trade and assets of the Company's two subsidiary companies Cirrus Inns Limited and Farm Street Inns Limited were "hived up by transferring them to Butcombe Brewery Limited at market value. From this date onwards these subsidiaries ceased to trade and therefore the Directors have concluded that the Company has also ceased to be a going concern and these financial statements have been prepared on this basis.

See note 27 for further details on post balance sheet events.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding rebates, value added tax and other sales taxes. Revenue is generated from the sale of food and beverages in premium pubs, as well as the provision of accomodation.

Food and beverage revenue is recognised at the point of sale and the below criteria must be met before revenue is recognised:

• the Company has transferred the significant risks and rewards of ownership to the buyer;

• the Company retains neither continuing managerial involvement to the degree usually associated

with ownership nor effective control over the goods sold;

• the amount of revenue can be measured reliably;

• it is probable that the Company will receive the consideration due under the transaction; and

• the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Accomodation revenue is recognised in the period in which the services are provided when all of the following conditions are satisfied:

• the amount of revenue can be measured reliably;

• it is probable that the Company will receive the consideration due under;

• the accomodation has been provided to the customer.

• the costs incurred can be measured reliably.

Other revenue is generated through sponsorship income and commission charged on voucher and accommodation bookings. Sponsorship income is recognised in the period to which the sponsor intends for it to cover. Commission income is recognised when earned, being the date of the accommodation booking.

2.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

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

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

2.8 Exceptional items

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

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

During the period goodwill was written off as on 26 June 2022 the company changed its accounting policy for fixed assets. Fixed assets are now held under the revaluation model, rather than historic cost less depreciation. This change in model means that goodwill has been impaired in full as any remaining goodwill is inherent in the tangible fixed asset valuation which is based on future trading potential.

2.10 Tangible fixed assets

Unitl 26 June 2022, tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Freehold property	- 50 years (Freehold improvements - 10 years straight line)
Short-term leasehold property	- Over the terms of the lease
Motor vehicles	- 10 years
Fixtures and fittings	- 3-15 years

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

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

On 26 June 2022 the company changed its accounting policy for fixed assets to follow the revaluation

model. Fair values are determined from market based evidence normally undertaken by

professionally qualified valuers.

Revaluation gains are recognised in other comprehensive income and any losses recognised are

accounted for within the profit or loss.

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief

is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value

of the shares issued together with the fair value of any additional consideration paid.

2. Accounting policies (continued)

2.13 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.14 Stocks

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

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

2.15 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.

2.16 Cash and cash equivalents

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

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

2.17 Financial instruments

The Group 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans

2. Accounting policies (continued)

2.17 Financial instruments (continued)

and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.18 Creditors

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

2.19 Finance costs

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

2. Accounting policies (continued)

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.21 Borrowing costs

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

2.22 Interest income

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

2.23 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

2. Accounting policies (continued)

2.24 Change in accounting policy

On 26 June 2022, the Company changed its accounting policy for fixed assets to follow the revaluation model. The previous model, until 26 June 2022, had been to value tangible fixed assets under the cost model where the value of the assets were stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

The following are the key judgements that management have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

(a) Revaluation of property and equipment and intangibles

As of 26 June 2022 the fixed assets are held under the revaluation model and therefore at fair value. The fair value of the properties is based on estimates and judgements, the most significant of these being expected fair maintainable trade of the sites and a multiple of this trade. If actual trading results and achievable sales multiples were to differ from the estimates, there could be a material impact on the carrying value of fixed assets, both positively and negatively.

(b) Depreciation and amortisation

Depreciation and amortisation are provided so as to write down assets to their residual values over the estimated useful lives. The selection of these residual values and estimated lives requires the exercise of management's judgement. Were the actual useful lives to differ from the estimates, there could be a material impact on the net realisable value of tangible fixed assets and intangible fixed assets.

(c) Intercompany debt recovery

Intercompany debt recovery has been assessed using forecast future EBITDA. If the forecast EBITDA or multiple was not to be achieved, then there is a risk that the intercompany debt would not be recoverable and a provision would be required.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	*2021*
	£	*£*
Food and beverage	**16,505,108**	*8,098,013*
Accommodation	**3,830,165**	*1,760,121*
	20,335,273	*9,858,134*

All turnover arose within the United Kingdom.

5. Other operating income

	2022	2021
	£	£
Other operating income	517,113	548,034
Government grants receivable	-	2,400,105
Hospitality and Leisure local authority grants	135,941	935,182
Profit on disposal of tangible assets	591,427	743
	1,244,481	3,884,064

6. Operating loss

The operating loss is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	1,966,913	1,942,133
Amortisation of intangible assets, including goodwill	473,335	775,571
Operating lease costs	784,106	591,893
Defined contribution pension cost	123,363	110,217
Impairment of goodwill and other intangible assets	9,188,916	-
Impairment of tangible fixed assets	2,523,144	-

7. Auditors' remuneration

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

	2022	2021
	£	£
Fees payable to the Company's auditors and their associates for the audit of the consolidated and parent Company's financial statements	55,600	50,000
Fees payable to the Company's auditors and their associates in connection with the Group's pension scheme(s) in respect of:		
Accounts preparation services	8,525	9,250

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 26 June 2022 £	*Group 27 June 2021 £*	**Company 26 June 2022 £**	*Company 27 June 2021 £*
Wages and salaries	**7,967,211**	*6,642,304*	**-**	*-*
Social security costs	**597,064**	*486,836*	**-**	*-*
Cost of defined contribution scheme	**123,363**	*114,532*	**-**	*-*
	8,687,638	*7,243,672*	**-**	*-*

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

	2022 No.	*2021 No.*
Front of House	**200**	*206*
Kitchen	**95**	*143*
Housekeeping	**31**	*43*
Administration	**30**	*38*
	356	*430*

The Company has no employees other than the directors (2021 - no employees).

9. Directors' remuneration

The highest paid director received remuneration of £174,703 *(2021 - £169,490)*.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL *(2021 - £NIL)*.

10. Income from investments

	2022 £	*2021 £*
Dividends received from unlisted investments	**175,000**	*-*

	-
175,000	

11. Interest payable and similar expenses

	2022 £	*2021* *£*
Bank interest payable	362,344	*204,313*
Other loan interest payable	743,245	*1,228,117*
Other interest payable	29,835	*55,725*
	1,135,424	*1,488,155*

12. Taxation

	2022 £	*2021* *£*
Total current tax	-	*-*
Total deferred tax	-	*-*

12. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period is lower than *(2021 - lower than)* the standard rate of corporation tax in the UK of 19% *(2021 - 19%)*. The differences are explained below:

	2022	*2021*
	£	*£*
Loss on ordinary activities before tax	(6,225,516)	*(4,088,540)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(1,182,848)	*(776,823)*
Effects of:		
Net expenses not deductible for tax purposes	2,146	*312,402*
Capital allowances for period/year in excess of depreciation	317,013	*264,074*
Deferred tax not recognised	(370,931)	*200,347*
Group relief surrendered	34,624	-
Adjustments to tax charge in respect of prior periods - deferred tax	92,690	-
Goodwill impairment not deductible for tax purposes	1,745,894	-
Fixed asset impairment not deductible for tax purposes	479,397	-
Chargeable gains	112,371	-
Remeasurement of deferred tax for changes in tax rates	56,407	-
Income not taxable for tax purposes	(906,763)	-
Gain on disposal of subsidiary not taxable	(380,000)	-
Total tax charge for the period/year	-	-

Factors that may affect future tax charges

No provision has been made for deferred tax on losses as it is not sufficiently certain when these losses will be utilised. The net deferred tax asset not recognised is £1,532,297 (2021: £3,134,023).

13. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the period was £8,531,112 *(2021 - £39,042,497)*.

14. Intangible assets

Group

	Website cost	Goodwill	Total
	£	£	£
Cost			
At 28 June 2021	**402,703**	**12,821,087**	**13,223,790**
Additions	**56,393**	**-**	**56,393**
Disposals	**-**	**(1,000)**	**(1,000)**
On disposal of subsidiaries	**(160,267)**	**-**	**(160,267)**
At 26 June 2022	**298,829**	**12,820,087**	**13,118,916**
Amortisation			
At 28 June 2021	**284,569**	**3,172,446**	**3,457,015**
Charge for the period on owned assets	**13,784**	**459,551**	**473,335**
On disposals	**-**	**(350)**	**(350)**
Impairment charge	**476**	**9,188,440**	**9,188,916**
At 26 June 2022	**298,829**	**12,820,087**	**13,118,916**
Net book value			
At 26 June 2022	**-**	**-**	**-**
At 27 June 2021	*118,134*	*9,648,641*	*9,766,775*

15. Tangible fixed assets

Group

	Freehold property	Short-term leasehold property	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 28 June 2021	**28,078,634**	**3,706,530**	**63,776**	**6,907,525**	**38,756,465**
Additions	**453,788**	**20,994**	**38,865**	**695,420**	**1,209,067**
Disposals	**(1,938,573)**	**(10,496)**	**-**	**(535,844)**	**(2,484,913)**
Revaluations	**5,961,916**	**(699,641)**	**(62,949)**	**40,125**	**5,239,451**
At 26 June 2022	**32,555,765**	**3,017,387**	**39,692**	**7,107,226**	**42,720,070**
Depreciation					
At 28 June 2021	**7,171,815**	**1,191,723**	**32,063**	**5,815,920**	**14,211,521**
Charge for the period on owned assets	**813,506**	**506,262**	**7,629**	**639,516**	**1,966,913**
Disposals	**(711,000)**	**(1,506)**	**-**	**(498,888)**	**(1,211,394)**
Transfers between classes	**(248,382)**	**265,115**	**-**	**(16,733)**	**-**
Impairment charge	**1,958,236**	**429,869**	**-**	**135,039**	**2,523,144**
On revalued assets	**(7,555,828)**	**(633,053)**	**-**	**(1,031,330)**	**(9,220,211)**
At 26 June 2022	**1,428,347**	**1,758,410**	**39,692**	**5,043,524**	**8,269,973**
Net book value					
At 26 June 2022	**31,127,418**	**1,258,977**	**-**	**2,063,702**	**34,450,097**
At 27 June 2021	*20,906,819*	*2,514,807*	*31,713*	*1,091,605*	*24,544,944*

16. Fixed asset investments

Group

	Investments in associates	Investment in joint ventures	Total
	£	£	£
Cost or valuation			
At 28 June 2021	-	325,219	325,219
Additions	2,000,000	-	2,000,000
Share of profit/(loss)	-	(297)	(297)
At 26 June 2022	2,000,000	324,922	2,324,922

The net assets of The Jack Russell Inn Limited were £374,747 (2021 - £415,268) and the profit for the year was £349,407 (2021 - £220,496). Under the groups equity accounting policy the investment in this joint venture is carried at costs plus the cumulative profit share.

At the point of Cirrus Inns Limited disposing of its controlling interest in Epicurean Club Limited the Group reversed consolidated pre-disposal losses of Epicurean Club Limited of £2,000,000.

Company

	Investments in subsidiary companies
	£
Cost or valuation	
At 28 June 2021	20,001
At 26 June 2022	20,001

Subsidiary, associate and joint venture undertakings

The following were subsidiary, assocate and joint venture undertakings of the Company:

Name	Class of shares	Holding
Cirrus Inns Limited	Ordinary	100 %
Farm Street Inns Limited*	Ordinary	100 %
Curated Experiences Limited*	Ordinary	25 %
The Jack Russell Inn Limited*	Ordinary B	50 %

*Indirect holding through Cirrus Inns Limited

The registered office of Cirrus Inns Limited and Farm Street Inns Limited is Cox's Green Havyatt Road, Wrington, Bristol,

England, BS40 5PA.

The registered office of Jack Russell Inn Limited is C/o Jps Finance Ltd, 2 Duke Street, London,

England, W1U 3EH.

During the period, Cirrus Inns Limited acquired a 25% holding in Curated Experiences Limited in return for its 100% holding in The Epicurean Club Limited and the release of creditors from receivables with a

market value of £2,000,000. This investment was sold to former shareholders of Cirrus Inns Holdings Limited post year end for £2,000,000.

The registered office of Curated Experiences Limited is 2nd Floor 120 Old Broad Street, London, United

Kingdom, EC2N 1AR.

17. Stocks

	Group 26 June 2022 £	*Group 27 June 2021 £*
Goods for resale	**355,795**	*332,358*
	355,795	*332,358*

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 26 June 2022 £	Group 27 June 2021 £	Company 26 June 2022 £	Company 27 June 2021 £
Trade debtors	**273,489**	*62,622*	**-**	*-*
Amounts owed by group undertakings	**-**	*-*	**80,044,993**	*76,925,655*
Other debtors	**246,945**	*259,424*	**-**	*-*
Prepayments and accrued income	**1,198,133**	*322,115*	**55,828**	*18,300*
Tax recoverable	**-**	*5,029*	**-**	*-*
	1,718,567	*649,190*	**80,100,821**	*76,943,955*

The amounts owed from group undertakings are repayable on demand. Trading balances are unsecured and interest free. Balances used for financing purposes are charged an interest rate of 6.25% per annum.

Please see note 27 for further disclosure regarding the release of the amounts owed by group undertakings post year end.

19. Cash and cash equivalents

	Group 26 June 2022 £	Group 27 June 2021 £	Company 26 June 2022 £	Company 27 June 2021 £
Cash at bank and in hand	**4,759,878**	*3,285,049*	**2,004,378**	*730,986*
	4,759,878	*3,285,049*	**2,004,378**	*730,986*

20. Creditors: Amounts falling due within one year

	Group 26 June 2022 £	*Group 27 June 2021 £*	Company 26 June 2022 £	*Company 27 June 2021 £*
Bank loans	**8,500,000**	*8,500,000*	**8,500,000**	*8,500,000*
Other loans	**3,000,000**	*3,000,000*	**3,000,000**	*3,000,000*
Trade creditors	**2,106,997**	*1,686,923*	**-**	*-*
Other taxation and social security	**1,187,963**	*492,781*	**-**	*-*
Other creditors	**897,914**	*1,083,418*	**404,381**	*404,380*
Accruals and deferred income	**825,908**	*5,152,372*	**220,008**	*4,320,864*
	16,518,782	*19,915,494*	**12,124,389**	*16,225,244*

Disclosure of the terms and conditions attached to the share capital treated as debt is made in note 23.

Included in other creditors is a Director loan totalling £404,380 (2021 - £404,380). See note 26 for further details.

The bank loan was due for repayment in April 2028. It was secured on the properties held by the group,

and interest was charged at 4% p.a. See note 27 for details on the post year end refinance.

The other loans balance is a loan from two shareholders. See note 27 for details on the post year end conversion of the loan to equity.

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

	Group 26 June 2022 £	*Group 27 June 2021 £*	Company 26 June 2022 £	*Company 27 June 2021 £*
Share capital treated as debt	**-**	*14,791,673*	**-**	*14,791,673*
	-	*14,791,673*	**-**	*14,791,673*

Disclosure of the terms and conditions attached to the share capital treated as debt is made in note 23.

22. Deferred taxation

Group

	26 June 2022
	£
Charged to other comprehensive income	(2,544,724)
At end of year	(2,544,724)

	Group 26 June 2022
	£
Deferred tax on the revaluation of fixed assets	(2,544,724)
	(2,544,724)

23. Share capital

	26 June 2022 £	*27 June 2021 £*
Shares classified as equity		
Allotted, called up and fully paid		
55,489,515 *(2021 - 30,315,400)* A Ordinary shares of £0.010 each	**554,895**	*303,154*
610,000 *(2021 - 610,000)* B Ordinary shares of £0.010 each	**6,100**	*6,100*
860,000 *(2021 - 860,000)* C Ordinary shares of £0.001 each	**860**	*860*
3.217,500 *(2021 - 3,217,500)* F Ordinary shares of £0.001 each	**3,218**	*3,218*
1,461,317,325 *(2021 - nil)* Deferred shares fully paid shares of £0.010 each	**14,613,173**	-
	15,178,246	*313,332*
Allotted, called up and partly paid		
Nil *(2021 - 7,324,015)* A Ordinary shares of £0.010 each	**-**	*73,240*

A, B and C shares are pari passu.

F shares are non-voting but pari passu in all other respects.

	26 June 2022 £	*27 June 2021 £*
Shares classified as debt		
Allotted, called up and fully paid		
Nil *(2021 - 14,791,673)* Preference Shares shares of £1.000 each	**-**	*14,791,673*

Shares that were previously classified as debt were preference shares that were convertible on 31 December 2022. These shares are non-voting and have a coupon rate of 6% p.a. The shares were refinanced in June 2021 hence the movement from current to non-current creditors in the prior year.

The shares were converted into ordinary and deferred shares during the period and the interest previously accrued on these shares was forgiven.

24. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve

Includes the gain on the revaluation of the tangible fixed assets as at the period end.

Other reserves

Deferred tax on revaluation of fixed assets.

Profit and loss account

Includes all current and prior period retained profits and losses.

25. Commitments under operating leases

At 26 June 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

Group	**26 June 2022 £**	*27 June 2021 £*
Not later than 1 year	**684,361**	*685,769*
Between 2 and 5 years	**2,258,345**	*2,191,852*
Later than 5 years	**3,265,721**	*3,624,680*
	6,208,427	*6,502,301*

26. Related party transactions

At the balance sheet date the company and group owed £404,380 (2021: £404,380) to company director, as held in other creditors. The loan is repayable on exit and is disclosed as current as this cannot be predicted. No interest is payable on this debt.

Included in trade debtors are amounts owed by Directors totalling £1,632 (2021 - £1,632).

Included in trade debtors are amounts owed by a joint venture of Cirrus Inns Limited totalling £120,063 (2021 - £55,430). The total sales made to the joint venture during the period are £799,153 (2021 - £480,611).

Included in trade debtors are amounts owed by a company under common control due to mutual Directors totalling £3,705 (2021 - £12,004). The total sales made to this company during the period are £102,063 (2021 - £85,428).

The company makes purchases from a group under common control and the transactions in the year total £1,023,709 (2021 - £253,451). The amount owed at the year end in respect of these purchases is £46,850 (2021 - £69,051).

27. Post balance sheet events

Merger

On 16 December 2022 the Group announced that it had merged with The Liberation Group (TLG), the Channel Islands and West Country brewer and retailer. The merger gives the combined entity an enterprise value of circa £200m. The merger was structured as an acquisition of 100% of the shares in Cirrus Inns Holdings Limited by Liberation's subsidiary Butcombe Brewery Limited.

As part of the merger, the combined group received new investment from existing shareholders. The Cirrus Inns shareholders injected £6,200,000 of new equity into new preference shares issued by Liberation Group's parent entity. These new funds (via an intercompany loan from TLG) allowed Cirrus Inns Holdings to fully repay both the £8.5m loan that it had with Metrobank and the £50k bounce back loan facility also through Metrobank. Additionally, the shareholder loans totalling some £3m were converted into equity in Cirrus Inns Holdings at the time of the merger.

With the bank debt repaid to Metrobank and the shareholder loans converted to equity, Cirrus Inns Holdings and its subsidiaries entered the merger with The Liberation Group in a position of free from external debt.

In December 2022, The Liberation Group agreed new credit facilities with its existing lenders. The new facilities consisted of a £44.15m loan over a period of 4 years and is repayable in January 2027. This is a reduction from the previous debt of £50.5m prior to the merger. There is also a new £10m revolving credit facility (RCF) which can be used for working capital or capital expenditure and acquisitions. This RCF is undrawn and fully available as at the date of signing these financial statements.

The merger has enabled the combined business to reduce its debt and as a result has significantly strengthened the Group's balance sheet.

On 26 February 2023, the trade and assets of the Company's two subsidiary companies Cirrus Inns Limited and Farm Street Inns Limited were "hived up" by transferring them to Butcombe Brewery Limited at market value. From this date onwards these subsidiaries ceased to trade and therefore the Directors have concluded that the Company has also ceased to be a going concern and these financial statements have been prepared on this basis. Management have opted to change the fixed asset accounting policy from the historical cost model to the revaluation model, so that the fixed assets in the financial statements reflect the market value, being the value transferred on hive up. Immediately prior to the hive up the Company released the two subsidiaries from the intercompany loans owed to the company as disclosed in note 18.

28. Controlling party

The ultimate controlling party is Caledonia Investments plc, a company incorporated in England and

Wales. Copies of the accounts of Caledonia Investments plc are available at the Registered Office,

Cayzer House, 30 Buckingham Gate, London SW1E 6NN.