

**Kildale Parentco Limited**

Strategic report, Directors' report and  
financial statements

Registered number 10986864

Period from incorporation to 4 February 2018

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## **Strategic Report**

### **Principal activity and business review**

Kildale Parentco Limited (the 'Company') whose parent company is Kildale Topco Limited, is an intermediate holding company, of Kildale Bidco Limited an intermediate operating company, of Ingleby (1951) Limited, Ingleby (1952) Limited, Apis Limited and Melli Limited as intermediate holding companies, and of Amber Taverns Limited as a public house management company.

The principal activity of Amber Taverns Limited is that of public house management.

A detailed review of the trading activities of the Group, headed by Kildale Topco Limited, can be seen in the accounts of Amber Taverns Limited.

### **Principal risks and uncertainties**

The principal risks and uncertainties facing the Group headed by Kildale Topco Limited are:

#### **Economic environment risk**

Consumer sentiment is uncertain as the deadline for Brexit grows closer without clarity on the type of Brexit we can expect. The wet led pub market place remains competitive with recent price increases from suppliers and the sugar tax adding to the pressure on gross margin. The board believes whilst there are cost pressures in the market place its emphasis on quality and value for money should continue to provide confidence to all stakeholders in the business.

The Group continues to acquire some closed public houses, but continues to pursue trading sites, the Group believe there are further opportunities from closed sites requiring change of use but continues to seek licensed properties in good locations at competitive prices. The Company intends to continue to consider acquisitions on a site by site basis.

#### **Regulatory risk**

The sector in which the Group operates has been subject to a high level of regulation over recent periods and any future changes to alcohol duty on beer and other products could add increased pressure on the Group's sales and margins. Further changes to the national living wage may impact in the future on the terms of the operator agreement as planned increases are rolled out in future periods.

#### **Financial risk management objectives and policies**

The Group's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk and interest rate risk. The Group has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group uses an interest cap to mitigate interest rate risk. The majority of sales are cash based transactions and therefore the Group is not exposed to credit risk. Financial performance is monitored by finance and operational Directors on a weekly and monthly basis.

#### **Future developments**

It is anticipated that the Group's portfolio will continue to grow as further acquisition and development opportunities arise.

By order of the board



J. Jones

Director

26<sup>th</sup> July 2018

## **Directors' report**

The Directors present their annual Directors' report and the audited financial statements for the period from incorporation on 27 September 2017 to 4 February 2018. The Company was incorporated as a vehicle to acquire the issued share capital of Kildale Bidco Limited, whose group companies include the trading company Amber Taverns Limited.

### **Results and dividends**

The profit for the period, after taxation, amounted to £nil.

The Directors do not recommend the payment of a dividend.

### **Directors**

The Directors who held office during the year were as follows:

J E Baer (appointed 27<sup>th</sup> October 2017)  
G E Roberts (appointed 27<sup>th</sup> October 2017)  
J L Jones (appointed 27<sup>th</sup> October 2017)  
M D George (appointed 27<sup>th</sup> October 2017)

### **Going concern**

The Company is part of a group headed by Kildale Topco Limited which has positive net assets at the balance sheet date, and has indicated its intention to provide ongoing support to the subsidiaries of the group for at least 12 months and thereafter for the foreseeable future.

In light of the above, the Directors, having considered the current trading prospects, identifiable risks, working capital requirements and the availability of finance, are of the opinion that the Company is a going concern. The accounts have been prepared on this basis.

### **Qualifying third party indemnity provisions**

The directors benefited from qualifying indemnity insurance policies in place during the financial period.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

  
J Jones  
Director

Kildale Parentco Limited  
The Victory Offices  
112 Victory Road  
Blackpool  
FY1 3NW

26<sup>th</sup> July 2018

## **Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP  
1 St Peters' Square  
Manchester  
M2 3AE  
United Kingdom

## **Independent Auditor's report to the members of Kildale Parentco Limited**

### **Opinion**

We have audited the financial statements of Kildale Parentco Limited ("the company") for the period ended 4 February 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 4 February 2018 and of its result for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

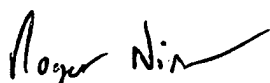
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Roger Nixon (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
1 St Peter's Square, Manchester, M2 3AE

26 July 2018

**Profit and Loss Account and Other Comprehensive Income**  
*for the period from incorporation to 4 February 2018*

	<i>Note</i>	<b>2018</b> <b>£</b>
Administrative expenses		-
<b>Operating profit</b>	<b>2</b>	-
Interest payable and similar charges		-
<b>Profit before taxation</b>		-
Tax on profit		-
<b>Profit for the financial period</b>		-
<b>Other comprehensive income</b>		-
Other comprehensive income		-
<b>Total comprehensive profit for the financial period</b>		-

The notes on pages 9 to 12 form an integral part of these financial statements.



**Balance Sheet**  
 at 4 February 2018

	<i>Note</i>	2018 £	2018 £
<b>Fixed assets</b>			
Investments	5		35,000,002
			<hr/>
			35,000,002
<b>Current assets</b>			
Debtors	6	35,001,427	
		<hr/>	
<b>Creditors: amounts falling due in less than one year</b>	7	(35,001,427)	
			<hr/>
<b>Net current assets</b>			-
			<hr/>
<b>Net Assets</b>			35,000,002
			<hr/>
<b>Capital and reserves</b>			
Called up share capital	8		35,000,002
Profit and Loss Account			-
			<hr/>
<b>Total shareholder's funds</b>			35,000,002
			<hr/>

The notes on pages 9 to 12 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 26<sup>th</sup> July 2018 and were signed on its behalf by:

  
 A. Jones  
 Director

Registered number 10986864

**Statement of Changes in Equity**  
*for the period from incorporation to 4 February 2018*

	Called up share capital £000	Profit and loss account £000	Total Equity £000
Balance on incorporation	-	-	-
Issue of shares	35,000,002	-	35,000,002
<b>Total comprehensive income for the year</b>	-	-	-
Profit for the year	-	-	-
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive profit for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 4 February 2018</b>	<b>35,000,002</b>	<b>-</b>	<b>35,000,002</b>
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 12 form an integral part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

Kildale Parentco Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Kildale Topco Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Kildale Topco Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### *Measurement convention*

The financial statements are prepared on the historical cost basis.

#### *Going concern*

The Company is part of a group headed by Kildale Topco Limited which has positive net assets at the balance sheet date, and has indicated its intention to provide ongoing support to the subsidiaries of the group for at least 12 months and thereafter for the foreseeable future.

In light of the above, the Directors, having considered the current trading prospects, identifiable risks, working capital requirements and the availability of finance, are of the opinion that the Company is a going concern. The accounts have been prepared on this basis.

#### *Basic financial instruments*

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Investments in subsidiaries*

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

## Notes (continued)

### 1 Accounting policies (continued)

#### Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 2 Expenses and auditor's remuneration

	Period from incorporation to 4 February 2018 £
Audit of these financial statements	1,500
Amounts receivable by the Company's auditor and its associates in respect of:	
- Taxation compliance services	750
	<hr/>

The audit fee for 2018 has been borne by Amber Taverns Limited, another group company.

### 3 Staff numbers and costs

Other than the directors, there are no individuals employed by Kildale Parentco Limited.

### 4 Directors' remuneration

The directors received no remuneration for services provided to the company, as they were remunerated through Amber Taverns Limited, a related company, and no allocation of their fees is made to the Company as their services to this Company are considered to be negligible.

## Notes (continued)

### 5 Fixed asset investments

<i>Cost and net book value</i> At 4 February 2018	Investments in subsidiary companies £
	35,000,002

### Subsidiary undertakings

The Company has the following investments in subsidiaries:

	Aggregate of capital and reserves £	Profit or loss for the period £	Registered office address	Class of shares held	Ownership 2018 %
Kildale Bidco Limited	33,247,730	(1,752,272)	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100
Ingleby (1951) Limited	21,000,786	-	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100*
Ingleby (1952) Limited	(15,802,282)	(3,503,327)	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100*
Melli Limited	(3,563,548)	-	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100*
Apis Limited	3,787,579	-	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100*
Amber Taverns Limited	78,496,744	5,528,080	The Victory, 112 Victory Road, Blackpool, FY1 3NW	Ordinary	100*

\* Indirect holding.

### 6 Debtors: amounts falling due within one year

	4 February 2018 £
Amounts owed by group undertakings	35,000,002
Taxation and social security	1,427
	35,001,427

### 7 Creditors: Amounts falling due within one year

	4 February 2018 £
Amounts owed to group undertakings	35,001,427

## Notes (continued)

### 8 Capital and reserves

4 February 2018

£

*Allotted, called up and fully paid*  
35,000,002 Ordinary shares of £1 each

35,000,002

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### 9 Related party transactions

Advantage has been taken of the exemption given within FRS 102 Section 33 "Related Party Transactions" to wholly owned subsidiaries, not to disclose related party transactions with members of the group.

### 10 Ultimate parent undertaking and controlling party

The ultimate parent company is Kildale Topco Limited, which is the largest group in which the Company is a member and for which Group Financial Statements are drawn up. Kildale Topco Limited is registered in England. Copies of the consolidated financial statements of Kildale Topco Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.