Company Registration No. 10986864 (England and Wales)

KILDALE PARENTCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JANUARY 2022

KILDALE PARENTCO LIMITED

COMPANY INFORMATION

Directors	J E Baer J L Jones S P Frankland G E Roberts M D George M J Goddard
Company number	10986864
Registered office	The Victory Offices 112 Victory Road Blackpool FY1 3NW
Auditor	RSM UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE
Bankers	HSBC Bank Plc Level 6 Metropolitan House CBX3, 321 Avebury Boulevard Milton Keynes MK9 2GA
Solicitors	Proskauer Rose UK LLP 110 Bishopsgate London EC2N 4AY

KILDALE PARENTCO LIMITED

CONTENTS

KILDALE PARENTCO LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 JANUARY 2022

The directors present the strategic report for the period ended 30 January 2022.

Fair review of the business
The principal activity of the group during the period was that of public house management.

The Directors report sales of £56,165,941 (2021: £29,990,081), sales were up 87% year on year due to the severity of the impact of the Covid-19 pandemic on trading during the prior year. Whilst trading was also affected in the current year by Covid-19 lockdown this was limited to full closure February to mid-May 2021. From mid-May through to July 2021 there was still significant disruption due to restrictions on the hospitality sector generally. With the start of the Euro tournament there was some easing of the severe restrictions but trade was still being impacted due to local lockdowns due to Covid outbreaks amongst staff and operators which lead to closures into late August

Operating profit was £947,274 (2021 Loss: £26,145,829), a return to modest profit but impacted by the Covid-19 pandemic. The group benefitted from the receipt of grants during the year of £4,460,323 (2021: £2,108,675) these are from the Covid support programs the government provided to the hospitality sector and the impact on EBITDA was further reduced due to the suspension of non-domestic rates awarded to the hospitality sector and agreements reached with key suppliers to suspend services in line with the mandated closure of the business during February to April.

The group instructed a further valuation as part of a strategic review being undertaken during the spring and summer of 2022. Based on the result of this valuation which was finalised in June 22 the directors believe the fair value of the estate at 30th January 2022 is £198,415,345 (2021: £146,469,490) and a net revaluation uplift of £49,987,278 was required at the period end. Following the valuation update and an impairment review it was agreed that an impairment of £247,503 (2021 impairment: £15,028,414) was required at the period end to reflect the loss on a site disposed of during February 2022. The Directors believe the estate carrying value to be appropriate.

The group saw an increase in net assets during the year to £41,563,292 (2021: £11,757,737).

Economic environment risk

The closure of the estate extended past the year end and in line with the HM Government roadmap the estate re-opened under restrictions on 17th May 2021. In June the scheduled further relaxation was delayed to 19th July 2021, this affected the expectation of a bumper Euro 2020 tournament as customers were still required to observe social distancing measures and local authorities policed this period with vigour. From 19th July 2021 all the restrictions previously mandated became optional. From this point we gradually reduced social distancing restrictions, previously mandated on a site-by-site basis, to ensure older and more vulnerable customers continued to feel safe. As customers became more confident the company was able to gradually revert to near normal trading practices by the year end.

Generally, the bounce back of sales was encouraging although not yet consistently back at pre-Covid levels there has been positive feedback from customers and operators. There has been a move towards more premium experiences during the year but with the much publicised cost headwinds facing the consumer the company is well positioned to offer both value and premium products to its customers in a well invested pub environment.

Whilst defensive capex was pretty much suspended during the closure and initial re-opening periods, a significant investment was made in the estate to catch up on projects delayed due to the pandemic with £2.2m being spent during Q4 of the £3.6m full year spend. £0.8m of capex has been approved to improve outdoor space making it more amenable to use all year round.

The labour shortages following Brexit and the return from the pandemic have not had as severe an impact on the company as these have been more acute in the food-led environment and with a few exceptions most have retained many of their pre-Covid workforce due to the use of the furlough scheme. Security costs have risen as there has been a lag of some security staff returning to the late night sector as the vaccination and testing centres have retained some level of security presence.

Relationships with key suppliers were closely managed during Covid and as the company re-opened. There have been some issues with delivery as experienced by the wider sector, due to the lack of drivers but also due to some disputes the main beer suppliers have experienced with their contracted delivery partners. Whilst this did cause some widespread disruption throughout the hospitality sector this was managed closely by the ops team to ensure a consistent supply of all key products throughout the period. The company has a pre-agreed pricing mechanic with its key suppliers so it has full visibility on future cost rises. The company is shielded from the high volatility being seen in food availability and pricing due to being a purely wet-led business.

The wider economic environment has toughened since the year end. Energy prices started to soar from Autumn 2021 due to increased demand from the cold winter out-stripping supply as the world market prices rose, this worsened with the Russian invasion of Ukraine with many European countries reliant on Russia for their gas supply. Whilst the UK is not reliant on gas from Russia it has put pressure on all energy commodities as the wholesale price spiralled. The company has procured energy on a forward hedge for a number of years and this has mitigated some of the extreme costs observed in the wider economy as it hedges on a rolling 3 year program so has secured some excellent rates.

Whilst the group maintains close relationships with suppliers and advisors it is mindful that government enforced legislation cannot be ignored and can affect pricing to all business sectors; this is a current risk to business especially with the impending change of prime minister in September as the new leaders roadmap to recovery may throw some curve balls.

Consumer sentiment is the biggest single risk factor autumn approaches; the media are proponents only of economic doom and gloom and this has a knock on effect across society. It is obvious that inflation and interest rates will continue to be at generationally high levels and the pressure on personal finances will tighten. The directors believe the value for money offer provided to customers will ensure all customers regardless of disposable income level can enjoy a large range of quality products at different price points, in a well maintained environment offering a great selection of entertainment whether it is from televised sport, karaoke, live bands or community inspired local events, that will navigate us through any economic headwinds.

Regulatory risk
The hospitality sector is exposed to changes in alcohol duty, VAT and changes to the national living wage rates. The Company has not seen any material impact from the increase in VAT post Covid as it was more beneficial to food businesses when it was introduced.

During the pandemic some budget changes were announced which were helpful to business; the introduction of a super deduction capital allowance rate of 130% for qualifying assets to 31 March 2023 is useful for the level of capital investment made by the company. There is a planned reduction in beer duty from 1 February 2023 which will further assist the on-trade margins, this is on kegs larger than 40l with an abv below 8.5%.

It is felt that further lockdowns are highly unlikely as the country responded to the vaccination programs and whilst there has been further variants they have not yielded the same level of restrictions seen during 2020/2021. The directors believe any future lockdowns, provided similar assistance was extended by the government, should not present any risk to the business.

The imminent change in prime minister may introduce more bureaucratic red tape which the sector and the consumer will need to navigate.

Financial risk management objectives and polices

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.

Following the end of restrictions the group's cash reserves have rebuilt to above pre-pandemic levels due to the high cash generation in the business.

The amended covenants ceased in April 2022 at which point the previous covenants were re-introduced albeit at moderated test levels for the first 2 quarters. All covenants throughout the year and since have been met with considerable headroom.

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
Since the year end the group has completed on 3 sites in Peterlee, Ashton-under-Lyne and Shrewsbury; 3 further sites are due to exchange imminently. Generally, the property market for freehold sites has been quiet, there has not been the large increase expected once the rent moratorium ended. Where former retail sites are identified and changes of use for planning and licensing are required there is a backlog with local authorities to get these sites completed timely. The delays in securing planning and licensing has resulted in a smaller pipeline than pre-pandemic. There are signs this is gradually improving as some supply is now coming to the market and this is expected to accelerate as the impact of soaring energy costs will bite as winter approaches.

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

Financial key performance indicators

Due to suspension on acquisition work due to the Covid-19 pandemic, refurbishments commenced in the autumn on the five previously moth-balled sites (Brownhills, Brierley Hill, Bridlington, Kilmarnock and Kirkcaldy) the last 2 opening in December 2021. At the year end there were 160 sites trading and none were being held in development.

Following the year end there have been two disposals of tail-end sites in Maryport and Aberdare, both traded during February and their sales completed end of February and early March. The company has also completed on 3 new sites.

The group's finance arrangements (held in Kildale Bidco Limited) are due to be repaid in October 2023 (HSBC) and October 2024 (Ares); a strategic review is currently being undertaken with advisors Sapient Corporate Finance, this may lead to an extension of current facilities, a full refinancing or a sale of the business.

The group was required to have a formal property valuation of the estate during 2020, as outlined in the finance documents, this took place in a period affected by Covid closures. As part of the strategic review the company engaged Savills to perform a further valuation in June 2022 which better reflected the post pandemic trading results. This was conducted during June 2022 and produced a valuation report dated 18 July 2022 of the 158 pub estate at £217,610,000 (2021: £145,395,000) the directors have reflected a fair value of these sites as at the year end in these accounts (£198,415,345).

The Directors take confidence that the group's well proven formula of a value offer in a modern community pub environment is well on track to continue to deliver solid trading results as consumer confidence builds.

	2022	2021
	£'000	£'000
Turnover	**56,166**	29,990
Company EBITDA (1)	**14,244**	2,075
Unit EBITDA (2)	**18,280**	5,139
Operating	**7,973**	(7,936)

	2022	2021
	No.	No.
Owned public houses at Year End	**160**	158

(1) Company earnings before interest, tax, depreciation and amortisation (EBITDA) is calculated based on the operating profit plus depreciation, amortisation charge and monitoring fees as per the management information of Amber Taverns Limited.

(2) Unit EBITDA is calculated based on Company EBITDA plus central overhead costs

As a Board, we are committed to long term sustainable growth, taking into account all stakeholders, and we underpin this with a collegiate approach and high standards of corporate governance. The directors understand the business and the evolving environment in which we operate. It is anticipated that the group's portfolio will continue to grow as further acquisition and development opportunities arise. The directors, taking onboard all relevant factors, will consider which course of action best enables delivery of the strategy, considering the impact on the stakeholders of the business.

Our Customers
Our business model is predicated on providing consistent value and quality, and our customers have regular contact with the operators of our pubs, thus ensuring regular feedback. We believe we are at the heart of the local communities we operate in.

Our Colleagues
Our small team and flat structure ensure regular and open dialogue between all colleagues, both formally and informally, in addition there are regular briefings, face to face meetings and a weekly newsletter, FYI. The Board also recognises that the Company's employees are fundamental to the business. One of the key successes to the business will be attracting and retaining employees. The directors ensure they remain a responsible employer.

Our Suppliers
Our long-term relationships with our key suppliers demonstrate the success of our collaborative and transparent approach. There is regular communication, payment terms are respected, and any issues dealt with promptly in a proportionate and reasonable manner.

Our Shareholders
Key shareholders attend monthly Board Meetings and shareholders are communicated with via a formal report on a twice-yearly basis.

Our Communities and Society
We see each of our pubs as a local community asset and work closely with all stakeholders to ensure we create a valued and responsible business. The Board ensures that the Company maintains high standards of business conduct within the communities in which we operate. We ensure that local policies are maintained and best practiced followed, working together with local licensing where many of our operating protocols are held up as exemplars by statutory authorities. Further to this we also monitor our energy consumption and undertake regular energy efficiency audits at each site to identify any improvements that can be made to reduce our carbon emissions and the impact on the environment. Details of this can be found in the Energy & Carbon report detailed within the Directors' Report.

On behalf of the board

J L Jones
Director

26 September 2022

The directors present their annual report and financial statements for the period ended 30 January 2022.

Principal activities

The principal activity of the group consisting of Kildale Parentco Limited ("the Company") is as a group holding company of Kildale Bidco Limited; an 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 company did not trade during the year (2021: Not traded) its main function is to head the banking group of Kildale Bidco Limited which holds the financing costs and Amber Taverns Limited which is the main trading company.

Results and dividends

The results for the period are set out on page 13.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J E Baer
J L Jones
S P Frankland
G E Roberts
M D George
M J Goddard

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

Going Concern

The group reported a loss after tax of £7,040,821 for the period ended 30 January 2022 and as at 30 January 2022 has net assets of £41,563,292 and net current liabilities of £(39,614,806).

The group is 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 from the date of approval of the financial statements and thereafter for the foreseeable future.

The cash generative nature of the business, equity injections and the suspension of new site acquisitions until autumn 2021 ensured the company had sufficient cash levels as the business re-opened.

The company's financing includes bank loans due for repayment on 26 October 2023. The directors have instigated a strategic review in order to refinance this facility. At the current time discussions are ongoing with the company's existing bankers and shareholders. The directors expect the refinancing to have completed within the next 12 months.

In light of the above, the Directors, having considered the current trading prospects, identifiable risks, working capital requirements and the availability of finance, have produced forecasts and sensitivities extending more than 12 months from the date of signing and are of the opinion that the company is a going concern. The accounts have been prepared on this basis.

Post reporting date events
Amber Taverns Limited has made two disposals since its year ending 30 January 2022, Maryport (£115,000) on 8 March 2022 and Aberdare (£240,000) on 28 February 2022 .

There have been three further sites acquired since the year ending 30 January 2022 in Ashton-under-Lyne, Peterlee and Shrewsbury.

Auditor
The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

SECR Requirements
Details of the companies compliance with requirements under SECR are reported in the group's parent company Kildale Topco Limited accounts.

Modern Slavery Act 2015
In accordance with the requirements of the Modern Slavery Act, the board has reviewed and approved its compliance statement, this can be viewed on the company website www.ambertaverns.co.uk

On behalf of the board

J L Jones
Director

26 September 2022

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 JANUARY 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, 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 and then apply them consistently;
- make judgements 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KILDALE PARENTCO LIMITED

Opinion

We have audited the financial statements of Kildale Parentco Limited (the 'parent company') and its subsidiaries ("the group) for the year ended 30 January 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated & Company Statements of Financial Position, Consolidated & Company Statements of Changes in Equity, Consolidated Statement of Cashflows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 January 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 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 parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health & safety and those in relation to licensing regulations. We performed audit procedures to inquire of management whether the company is in compliance with these law and regulations including a review of board minutes and requested sight of any other relevant correspondence.

The audit engagement team identified the risk of management override of controls, grant income, valuation of public houses and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries, challenging judgements and estimates applied, including the valuation of the public houses held within fixed assets with reference to the reports of external valuers, and obtaining an understanding of the nature and quantum of grant income receivable in the period, testing a sample of entries included in the associated claims.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Jonathan Lowe (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP

26 September 2022

Chartered Accountants
Statutory Auditor

Bluebell House
Brian Johnson Way
Preston
Lancashire
PR2 5PE

KILDALE PARENTCO LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

	Notes	30 January 2022 £	31 January 2021 £
Turnover	3	56,165,941	29,990,081
Cost of sales		(19,973,458)	(11,463,409)
Gross profit		36,192,483	18,526,672
Administrative expenses		(39,760,023)	(46,832,365)
Other operating income	3	4,514,814	2,159,864
Operating profit/(loss)	4	947,274	(26,145,829)
Interest receivable and similar income	8	12,006	88
Interest payable and similar expenses	9	(5,312,167)	(5,100,608)
Loss before taxation		(4,352,887)	(31,246,349)
Tax on loss	10	(2,687,934)	1,197,359
Loss for the financial period	24	(7,040,821)	(30,048,990)

Loss for the financial period is all attributable to the owners of the parent company.

KILDALE PARENTCO LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

	Note	30 January 2022 £	31 January 2021 £
Loss for the period		(7,040,821)	(30,048,990)
Other comprehensive income			
Revaluation of tangible fixed assets	**12**	50,152,010	18,381,947
Tax relating to other comprehensive income	**10**	(13,305,634)	(2,084,107)
Other comprehensive income for the period		36,846,376	16,297,840
Total comprehensive income for the period		29,805,555	(13,751,150)

Total comprehensive income for the period is all attributable to the owners of the parent company.

KILDALE PARENTCO LIMITED

GROUP BALANCE SHEET

AS AT 30 JANUARY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Goodwill	**11**		4,864,273		11,220,462
Other intangible assets	**11**		372,150		868,350
Total intangible assets			5,236,423		12,088,812
Tangible assets	**12**		198,415,345		146,469,489
			203,651,768		158,558,301
Current assets					
Stocks	**15**	4,497,913		2,953,898	
Debtors	**16**	12,070,111		11,956,437	
Investments		-		1,233	
Cash at bank and in hand		18,844,235		10,052,925	
		35,412,259		24,964,493	
Creditors: amounts falling due within one year	**17**	(75,027,065)		(63,024,100)	
Net current liabilities			(39,614,806)		(38,059,607)
Total assets less current liabilities			164,036,962		120,498,694
Creditors: amounts falling due after more than one year	**18**		(95,376,573)		(97,172,307)
Provisions for liabilities					
Provisions	**20**	115,840		431,676	
Deferred tax liability	**21**	26,981,257		11,136,974	
			(27,097,097)		(11,568,650)
Net assets			41,563,292		11,757,737

GROUP BALANCE SHEET (CONTINUED)

AS AT 30 JANUARY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Capital and reserves					
Called up share capital	**23**		35,000,002		35,000,002
Revaluation reserve	**24**		53,144,216		16,297,840
Profit and loss reserves	**24**		(46,580,926)		(39,540,105)
Total equity			41,563,292		11,757,737

The financial statements were approved by the board of directors and authorised for issue on 26 September 2022 and are signed on its behalf by:

J L Jones
Director

KILDALE PARENTCO LIMITED

COMPANY BALANCE SHEET

AS AT 30 JANUARY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investments	**13**		35,000,002		35,000,002
Current assets					
Debtors	**16**	35,002,127		35,002,127	
Creditors: amounts falling due within one year	**17**	(35,005,627)		(35,005,627)	
Net current liabilities			(3,500)		(3,500)
Net assets			34,996,502		34,996,502
Capital and reserves					
Called up share capital	**23**		35,000,002		35,000,002
Profit and loss reserves	**24**		(3,500)		(3,500)
Total equity			34,996,502		34,996,502

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2021 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 26 September 2022 and are signed on its behalf by:

J L Jones
Director

Company Registration No. 10986864

KILDALE PARENTCO LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JANUARY 2022

		Share capital	Revaluation reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 3 February 2020		35,000,002	-	(9,491,115)	25,508,887
Period ended 31 January 2021:					
Loss for the period		-	-	(30,048,990)	(30,048,990)
Other comprehensive income:					
Revaluation of tangible fixed assets		-	18,381,947	-	18,381,947
Tax relating to other comprehensive income		-	(2,084,107)	-	(2,084,107)
Total comprehensive income for the period		-	16,297,840	(30,048,990)	(13,751,150)
Balance at 31 January 2021		35,000,002	16,297,840	(39,540,105)	11,757,737
Period ended 30 January 2022:					
Loss for the period		-	-	(7,040,821)	(7,040,821)
Other comprehensive income:					
Revaluation of tangible fixed assets	**13**	-	50,152,010	-	50,152,010
Tax relating to other comprehensive income		-	(13,305,634)	-	(13,305,634)
Total comprehensive income for the period		-	36,846,376	(7,040,821)	29,805,555
Balance at 30 January 2022		35,000,002	53,144,216	(46,580,926)	41,563,292

KILDALE PARENTCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JANUARY 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 3 February 2020	35,000,002	(3,500)	34,996,502
Period ended 31 January 2021:			
Profit and total comprehensive income for the period	-	-	-
Balance at 31 January 2021	35,000,002	(3,500)	34,996,502
Period ended 30 January 2022:			
Profit and total comprehensive income for the period	-	-	-
Balance at 30 January 2022	35,000,002	(3,500)	34,996,502

1 Accounting policies

Company information

Kildale Parentco Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is The Victory Offices, 112 Victory Road, Blackpool, FY1 3NW.

The group consists of Kildale Parentco Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Investments in subsidiaries are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1 Accounting policies **(Continued)**

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Kildale Parentco Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 January 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

The group reported a loss after tax of £7,040,821 for the period ended 30 January 2022 and as at 30 January 2022 has net assets of £41,563,292 and net current liabilities of £(39,614,806).

The group is 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 from the date of approval of the financial statements and thereafter for the foreseeable future.

The cash generative nature of the business, equity injections and the suspension of new site acquisitions until autumn 2021 ensured the company had sufficient cash levels as the business re-opened.

The company's financing includes bank loans due for repayment on 26 October 2023. The directors have instigated a strategic review in order to refinance this facility. At the current time discussions are ongoing with the company's existing bankers and shareholders. The directors expect the refinancing to have completed within the next 12 months.

In light of the above, the Directors, having considered the current trading prospects, identifiable risks, working capital requirements and the availability of finance, have produced forecasts and sensitivities extending more than 12 months from the date of signing and are of the opinion that the company is a going concern. The accounts have been prepared on this basis.

1.5 Reporting period

These financial statements have been prepared on a 52-week basis to the 30th January 2022 (2021: 52 weeks to 31st January 2021)

1.6 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Turnover is recognised when the significant risks and benefits of ownership of the goods have transferred to the customer.

1 Accounting policies **(Continued)**

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

At each reporting period end date, the company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

1.8 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

At each reporting period end date, the company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Brand	5 years straight line

1.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	50 years to an 80% residual
Fixtures and fittings	2-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Land is not depreciated.

Individual freehold and leasehold properties are stated at fair value less any subsequent accumulated depreciation and impairment losses.

Gains on revaluation are recognised in other comprehensive income and accumulated in revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss.

Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in profit or loss.

1 Accounting policies **(Continued)**

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost is based on the first-in first-out principle.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.14 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.18 Retirement benefits

Defined contribution plans and other long-term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Significant judgements and estimates

Valuation of properties

Land and buildings are valued by independent valuers, Savills, external and independent Chartered Surveyors, in accordance with the RICS appraisal and valuation standards published by the Royal Institute of Chartered Surveyors every 3 years. The last valuation was carried out in June 2022 and the directors have applied a retrospective valuation based upon this report as at January 2022. Due to the value of the carrying value of the Land and Buildings this makes the judgment significant. The carrying value of the Land and Buildings is £198,415,345 (2021: £146,469,490).

VAT Provision

The company continues to provide for costs relating to the VAT dispute with HMRC which is still ongoing £115,840 (2021: £431,676). As at year ending 30 January 2022 the appeal process is ongoing and this provision represents fees to bring the matter to a conclusion.

Government Grants

Grants that have been recognised in the profit and loss account relate to Covid support that was available to Amber Taverns in the form of Local Restriction Grants, CJRS and Business Support Grants. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

3 Turnover and other income

	2022	2021
	£	£
Other operating income		
Grants received	4,460,323	2,108,675
Rents Received	54,491	51,189
	4,514,814	2,159,864

All turnover arose within United Kingdom.

Grants that have been recognised in the profit and loss account relate to Covid support that was available to Amber Taverns in the form of Local Restriction Grants, CJRS and Business Support Grants.

4 Operating profit/(loss)

	2022	2021
	£	£
Operating profit/(loss) for the period is stated after charging/(crediting):		
Government grants	(4,460,323)	(2,108,675)
Depreciation of owned tangible fixed assets	5,111,753	5,011,422
Impairment of owned tangible fixed assets	247,503	15,028,414
Profit on disposal of tangible fixed assets	-	(25,168)
Amortisation of intangible assets	6,852,389	6,852,389

5 Auditor's remuneration

	2022	2021
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	3,000	3,000
Audit of the financial statements of the company's subsidiaries	44,000	25,250
	47,000	28,250
For other services		
Taxation compliance services	21,750	11,250
Other taxation services	43,000	35,350
Services relating to corporate finance transactions	10,000	-
	74,750	46,600

The company audit fee for the audit of Kildale Parentco Limited has been borne by Amber Taverns Limited, another group company.

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group		Company	
	2022	2021	2022	2021
	Number	Number	Number	Number
Administration Staff	37	38	-	-
Management Staff	4	4	-	-
Total	41	42	-	-

6 Employees **(Continued)**

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	2,125,868	1,836,187	-	-
Social security costs	243,029	173,793	-	-
Pension costs	123,515	93,836	-	-
	2,492,412	2,103,816	-	-

7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	738,124	460,967
Company pension contributions to defined contribution schemes	70,617	43,000
	808,741	503,967

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	211,943	121,024
Company pension contributions to defined contribution schemes	-	15,000

Retirement benefits are accruing to three directors under defined contribution schemes. (2020: Three)

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	12,006	88

9 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,002,754	2,991,330
Other interest on financial liabilities	2,291,294	2,093,123
Other interest	18,119	16,155
	5,312,167	5,100,608

10 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	13,161	(769,477)
Deferred tax		
Origination and reversal of timing differences	1,645,263	(1,192,466)
Changes in tax rates	1,134,100	1,026,815
Adjustment in respect of prior periods	(10,312)	11,919
Other adjustments	(94,278)	(274,150)
Total deferred tax	2,674,773	(427,882)
Total tax charge/(credit)	2,687,934	(1,197,359)

The actual charge/(credit) for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Loss before taxation	(4,352,887)	(31,246,349)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(827,048)	(5,936,806)
Tax effect of expenses that are not deductible in determining taxable profit	1,516,454	3,561,965
Adjustments in respect of prior years	13,161	(757,441)
Group relief	129,243	129,675
Deferred tax adjustments in respect of prior years	(10,312)	-
Non tax-deductible impairment and amortisation	440,051	939,439
Transfer Pricing Adjustments	-	394,224
Losses Carried Back	-	785,621
Deferred Tax Adjustment	-	(1,065,690)
Remeasurement of deferred tax for changes in tax rates	1,528,962	1,026,816
Recognition of brand on acquisition	(94,278)	(274,150)
Additional deduction for Land Remediation	(8,299)	(1,012)
Taxation charge/(credit)	2,687,934	(1,197,359)

10 Taxation (Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022	2021
	£	£
Deferred tax arising on:		
Revaluation of property	13,305,634	2,084,108

Factors that may affect future current and total tax charges

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 21. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 December 2021.

11 Intangible fixed assets

Group	Goodwill	Brand	Total
	£	£	£
Cost			
At 1 February 2021 and 30 January 2022	31,780,946	2,481,000	34,261,946
Amortisation and impairment			
At 1 February 2021	20,560,484	1,612,650	22,173,134
Amortisation charged for the period	6,356,189	496,200	6,852,389
At 30 January 2022	26,916,673	2,108,850	29,025,523
Carrying amount			
At 30 January 2022	4,864,273	372,150	5,236,423
At 31 January 2021	11,220,462	868,350	12,088,812

The company had no intangible fixed assets at 30 January 2022 or 31 January 2021.

The amortisation charge is included within administrative expenses.

12 Tangible fixed assets

Group	Freehold buildings	Fixtures and fittings	Total
	£	£	£
Cost or valuation			
At 1 February 2021	145,241,291	46,397,576	191,638,867
Additions	2,560,674	4,592,428	7,153,102
Disposals	-	(1,509,546)	(1,509,546)
Revaluation	50,152,010	-	50,152,010
At 30 January 2022	197,953,975	49,480,458	247,434,433
Depreciation and impairment			
At 1 February 2021	25,673,982	19,495,396	45,169,378
Depreciation charged in the period	513,758	4,597,995	5,111,753
Impairment losses	247,503	-	247,503
Eliminated in respect of disposals	-	(1,509,546)	(1,509,546)
At 30 January 2022	26,435,243	22,583,845	49,019,088
Carrying amount			
At 30 January 2022	171,518,732	26,896,613	198,415,345
At 31 January 2021	119,567,309	26,902,180	146,469,489

The company had no tangible fixed assets at 30 January 2022 or 31 January 2021.

The land and buildings of Amber Taverns Limited have been pledged as security against the bank loans of Kildale Bidco Limited and Kildale Pikco Limited, which are fellow group undertakings.

Land and buildings are valued by independent valuers, Savills, external and independent Chartered Surveyors, in accordance with the RICS appraisal and valuation standards published by the Royal Institute of Chartered Surveyors every 3 years. The last valuation was carried out in June 2022 and the directors have applied a retrospective valuation based upon this report as at January 2022.

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	2022	2021
Group		
Cost	85,806,324	83,245,650
Accumulated depreciation	(4,385,057)	(3,871,299)
Carrying value	81,421,267	79,374,351
Company		
Cost	-	-
Accumulated depreciation	-	-
Carrying value	-	-

12 Tangible fixed assets **(Continued)**

13 Fixed asset investments

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Investments in subsidiaries	14	-	-	35,000,002	35,000,002

Movements in fixed asset investments
Company

	Shares in subsidiaries £
Cost or valuation	
At 1 February 2021 and 30 January 2022	35,000,002
Carrying amount	
At 30 January 2022	35,000,002
At 31 January 2021	35,000,002

14 Subsidiaries

Details of the company's subsidiaries at 30 January 2022 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Kildale Bidco Limited	(i)	Intermediate Operating Company	Ordinary	100.00	-
Ingleby (1951) Limited	(i)	Parent Holding Company	Ordinary	0	100.00
Ingleby (1952) Limited	(i)	Intermediate Holding Company	Ordinary	0	100.00
Apis Limited	(i)	Intermediate Holding Company	Ordinary	0	100.00
Melli Limited	(i)	Intermediate Holding Company	Ordinary	0	100.00
Amber Taverns Limited	(i)	Public House Management	Ordinary	0	100.00

Registered office addresses (all UK unless otherwise indicated):

(i) The Victory Offices, 112 Victory Road, Blackpool, Lancashire, FY1 3NW

15 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Goods for resale	4,497,913	2,953,898	-	-

16 Debtors

Amounts falling due within one year:	Group 2022 £	2021 £	Company 2022 £	2021 £
Trade debtors	87,571	178,272	-	-
Corporation tax recoverable	772,460	521,690	-	-
Amounts owed by group undertakings	9,934,420	9,935,932	35,002,127	35,002,127
Other debtors	173,286	511,290	-	-
Prepayments and accrued income	895,520	466,275	-	-
	11,863,257	11,613,459	35,002,127	35,002,127
Deferred tax asset (note 21)	206,854	342,978	-	-
	12,070,111	11,956,437	35,002,127	35,002,127

17 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	19	17,560,754	16,338,821	-	-
Trade creditors		5,215,380	846,892	-	-
Amounts owed to group undertakings		45,271,384	40,349,621	35,005,627	35,005,627
Other taxation and social security		1,222,122	1,304,434	-	-
Other creditors		1,637,627	1,724,170	-	-
Accruals and deferred income		4,119,798	2,460,162	-	-
		75,027,065	63,024,100	35,005,627	35,005,627

18 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	19	64,743,580	67,256,303	-	-
Other borrowings	19	30,632,993	29,916,004	-	-
		95,376,573	97,172,307	-	-

19 Loans and overdrafts

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	82,304,334	83,595,124	-	-
Other loans	30,632,993	29,916,004	-	-
	112,937,327	113,511,128	-	-
Within one year	17,560,754	16,338,821	-	-
Between one to two years	95,376,573	2,522,469	-	-
Between two to five years	-	94,649,838	-	-
Over five years	-	-	-	-

Bank loans are represented by amounts repayable by variable quarterly instalments which resumed in July 2021 following the re-opening of the business from the Covid-19 pandemic, before settlement of the outstanding balance is due on 26 October 2023. Interest is charged on the loan at 3.00% above LIBOR (replaced with SONIA from May 2021). The loan is secured against various holdings of freehold land, owned by Amber Taverns Limited, a related party.

Included within other loans are amounts repayable of £30,543,544 on 26 October 2024 to Ares Management Limited. Interest is charged on the loan at 5.76% plus LIBOR (now SONIA) floor of 1% plus PIK interest of 2%. Since December 2021 SONIA has risen in line with the Bank of England base rate changes.

The loan is secured against various holdings of freehold land, owned by Amber Taverns Limited, a related party.

20 Provisions for liabilities

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
HMRC Inspection	115,840	431,676	-	-

Movements on provisions:

Group	HMRC Inspection £
At 1 February 2021	431,676
Utilisation of provision	(315,836)
At 30 January 2022	115,840

20 Provisions for liabilities **(Continued)**

Utilised provision relates to payment to HMRC prior to commencing ADR process.

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Accelerated capital allowances	6,577,535	3,944,404	-	342,744
Tax losses	-	-	-	(342,744)
Revaluations	20,350,380	7,044,716	-	-
Investments	-	-	206,854	342,978
Recognition of brand on acquisition	53,342	147,854	-	-
	26,981,257	11,136,974	206,854	342,978

The company has no deferred tax assets or liabilities.

Movements in the period:	Group 2022 £	Company 2022 £
Liability at 1 February 2021	10,793,996	-
Charge to profit or loss	2,674,773	-
Charge to equity	13,305,634	-
Liability at 30 January 2022	26,774,403	-

22 Retirement benefit schemes

Defined contribution schemes	2022 £	2021 £
Charge to profit or loss in respect of defined contribution schemes	123,515	93,836

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Contributions totalling £8,405 (2021: £72) were payable to the fund at the year end and are included in creditors.

23 Share capital

Group and company Ordinary share capital	2022 Number	2021 Number	2022 £	2021 £
Issued and fully paid				
Ordinary shares	35,000,002	35,000,002	35,000,002	35,000,002

24 Reserves

Revaluation reserve
Where tangible fixed assets are revalued, the cumulative increase in the fair value of the property at the date of revaluation in excess of any previous impairment losses, less and associated deferred tax, is included in the revaluation reserve.

Profit and loss reserves
Includes all current and prior period retained profits and losses net of distributions to owners.

25 Events after the reporting date

Amber Taverns Limited has made two disposals of sites since its year ending 30 January 2022, Maryport (£115,000) on 8 March 2022 and Aberdare (£240,000) on 28 February 2022 .

There have been three further sites acquired since the year ending 30 January 2022 in Ashton-under-Lyne, Peterlee and Shrewsbury.

26 Related party transactions

Transactions with related parties

	2022 £	2021 £
Group Management charge	609,375	487,500

Other information
There is a composite Unlimited Multilateral Guarantee given by Kildale Parentco Limited, Kildale Bidco Limited, Ingleby (1951) Limited, Ingleby (1952) Limited, Apis Limited, Melli Limited, Amber Taverns Limited. There is a fixed charge over all present freehold and leasehold property, a first fixed charge over book and other debtors and a first floating charge over all assets and undertaking both present and future, initially dated 27 October 2017 and with supplementary security given on 22 April 2021.

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.

27 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.

The ultimate controlling party is MxP Partners LLP who own 61% shareholder of Kildale Topco (2021: MxP Partners LLP).