

Company Registration No. 05335601 (England and Wales)

AMBER TAVERNS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

AMBER TAVERNS LIMITED

COMPANY INFORMATION

Directors	J L Jones J E Baer S P Frankland M D George M J Goddard G E Roberts
Secretary	J L Jones
Company number	05335601
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

AMBER TAVERNS LIMITED

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AMBER TAVERNS LIMITED

STRATEGIC REPORT

FOR THE 52 WEEK 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 Company 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 £7,972,888 (2021 Loss: £7,936,103), a return to modest profit but impacted by the Covid-19 pandemic. The company 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 company 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: £1,091,758) 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 Company saw an increase in net assets during the year to £136,170,077 (2021: £94,014,866).

AMBER TAVERNS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

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 company 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.

AMBER TAVERNS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

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 policies

The Company'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 company'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 Company 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 company 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 Company's portfolio will continue to grow as further acquisition and development opportunities arise.

AMBER TAVERNS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

Financial key performance indicators

	2022	2021
	£'000	£'000
Turnover	56,166	29,990
Company EBITDA (1)	14,244	2,075
Unit EBITDA (2)	18,280	5,139
Operating profit/(loss)	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 management information.

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

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 company 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 Company'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.

AMBER TAVERNS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

Section 172

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 practice 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

AMBER TAVERNS LIMITED

DIRECTORS' REPORT

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

The directors present their annual report and financial statements for the 52 week period ended 30 January 2022.

Principal activities

The principal activity of the company continued to be that of public house management.

Results and dividends

The results for the period are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a final 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 L Jones
J E Baer
S P Frankland
M D George
M J Goddard
G E Roberts

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 company reported a profit after tax of £5,308,835 for the period ended 30 January 2022 and as at 30 January 2022 has net assets of £136,170,077 and net current liabilities of £35,201,822.

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 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.

AMBER TAVERNS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

Auditor

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

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

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 company's auditor 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 company's auditor is aware of that information.

SECR Requirements

Details of the company's 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

AMBER TAVERNS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE 52 WEEK 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

AMBER TAVERNS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AMBER TAVERNS LIMITED

Opinion

We have audited the financial statements of Amber Taverns Limited (the 'company') for the period ended 30 January 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 company's affairs as at 30 January 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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.

AMBER TAVERNS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMBER TAVERNS LIMITED

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

We have nothing to report in respect of the following matters where 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 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.

AMBER TAVERNS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMBER TAVERNS LIMITED

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 company operates in and how the 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 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.

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

AMBER TAVERNS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

	Notes	2022 £	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		(32,734,409)	(28,622,639)
Other operating income	3	4,514,814	2,159,864
Operating profit/(loss)	5	7,972,888	(7,936,103)
Interest receivable and similar income	8	79	87
Interest payable and similar expenses	9	(18,119)	-
Profit/(loss) before taxation		7,954,848	(7,936,016)
Tax on profit/(loss)	10	(2,646,013)	577,319
Profit/(loss) for the financial period		5,308,835	(7,358,697)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

AMBER TAVERNS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

		2022 £	2021 £
Profit/(loss) for the period		5,308,835	(7,358,697)
Other comprehensive income			
Revaluation of tangible fixed assets	12	50,152,010	7,630,301
Tax relating to other comprehensive income	10	(13,305,634)	(2,084,108)
Other comprehensive income for the period		36,846,376	5,546,193
Total comprehensive income for the period		42,155,211	(1,812,504)

AMBER TAVERNS LIMITED

BALANCE SHEET

AS AT 30 JANUARY 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	198,415,345		146,469,490	
Current assets					
Stocks	13	4,497,913		2,953,898	
Debtors	14	9,014,397		4,383,156	
Cash at bank and in hand		12,311,530		6,485,289	
		<u>25,823,840</u>		<u>13,822,343</u>	
Creditors: amounts falling due within one year	15	<u>(61,025,662)</u>		<u>(54,856,171)</u>	
Net current liabilities			<u>(35,201,822)</u>		<u>(41,033,828)</u>
Total assets less current liabilities			163,213,523		105,435,662
Provisions for liabilities					
Provisions	16	115,840		431,676	
Deferred tax liability	17	26,927,606		10,989,120	
		<u>(27,043,446)</u>		<u>(11,420,796)</u>	
Net assets			<u>136,170,077</u>		<u>94,014,866</u>
Capital and reserves					
Called up share capital	19	3,234,298		3,234,298	
Share premium account	20	984,298		984,298	
Revaluation reserve	21	78,271,595		41,425,219	
Profit and loss reserves	22	53,679,886		48,371,051	
Total equity			<u>136,170,077</u>		<u>94,014,866</u>

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. 05335601

AMBER TAVERNS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 3 February 2020	3,234,298	984,298	35,879,026	55,729,748	95,827,370
Period ended 31 January 2021:					
Loss for the period	-	-	-	(7,358,697)	(7,358,697)
Other comprehensive income:					
Revaluation of tangible fixed assets	-	-	7,630,301	-	7,630,301
Tax relating to other comprehensive income	-	-	(2,084,108)	-	(2,084,108)
Total comprehensive income for the period	-	-	5,546,193	(7,358,697)	(1,812,504)
Balance at 31 January 2021	3,234,298	984,298	41,425,219	48,371,051	94,014,866
Period ended 30 January 2022:					
Profit for the period	-	-	-	5,308,835	5,308,835
Other comprehensive income:					
Revaluation of tangible fixed assets	-	-	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	5,308,835	42,155,211
Balance at 30 January 2022	3,234,298	984,298	78,271,595	53,679,886	136,170,077

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

1 Accounting policies

Company information

Amber Taverns Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Victory Offices, 112 Victory Road, Blackpool, FY1 3NW.

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 amounts 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.

This 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:

- 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.

The financial statements of the company are consolidated in the financial statements of Kildale Topco Limited. These consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

1.2 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 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.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

1 Accounting policies

(Continued)

1.3 Reporting period

These financial statements have been prepared on a 52-week basis to the 30th January 2022.

1.4 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.

1.5 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 methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets.

Land is not depreciated.

The estimated useful lives are as follows:

Freehold buildings	50 years to an 80% residual value
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 credited or charged to profit or loss.

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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

1 Accounting policies

(Continued)

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.

1.7 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.

1.8 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.

1.9 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

1 Accounting policies

(Continued)

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 company 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.

1.10 Equity instruments

Equity instruments issued by the company 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 company.

1.11 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 when the company has 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.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

1 Accounting policies

(Continued)

1.12 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company 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.

1.13 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 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.

1.15 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.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company'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

The whole of the turnover is attributable to the principal activity of the Company.

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.

	2022	2021
	£	£
Other income		
Grants received	4,460,323	2,108,675
Rents Receivable	54,491	51,189
	<u>4,514,814</u>	<u>2,159,864</u>

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

4 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	37,000	22,000
Audit of the financial statements of the company's subsidiaries	10,000	-
	<u>47,000</u>	<u>22,000</u>
For other services		
Taxation compliance services	17,000	6,500
Other taxation services	43,000	35,350
Services relating to corporate finance transactions	10,000	-
	<u>70,000</u>	<u>41,850</u>

All costs to audit the group members are borne by Amber Taverns Limited.

5 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	4,091,758
Profit on disposal of tangible fixed assets	-	(25,168)
	<u></u>	<u></u>

£247,503 (2021 - £4,091,758) of impairment losses are recognised in administration expenses in the profit and loss account.

6 Employees

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

	2022	2021
	Number	Number
Number of administration staff	37	38
Number of Key Management Staff	4	4
	<u></u>	<u></u>
Total	<u>41</u>	<u>42</u>

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

6 Employees (Continued)

Their aggregate remuneration comprised:

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

7 Directors' remuneration

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

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

Remuneration disclosed above include 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
	<u></u>	<u></u>

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	79	87
	<u></u>	<u></u>

9 Interest payable and similar expenses

	2022 £	2021 £
Other interest	18,119	-
	<u></u>	<u></u>

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

10 Taxation

	2022 £	2021 £
Current tax		
Adjustments in respect of prior periods	13,161	(769,477)
Deferred tax		
Origination and reversal of timing differences	1,400,829	(846,205)
Adjustment in respect of prior periods	(10,312)	11,919
Effect of tax rate change on opening balance	1,242,335	1,026,444
Total deferred tax	2,632,852	192,158
Total tax charge/(credit)	2,646,013	(577,319)

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

	2022 £	2021 £
Profit/(loss) before taxation	7,954,848	(7,936,016)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,511,421	(1,507,843)
Tax effect of expenses that are not deductible in determining taxable profit	4,595	3,161
Adjustments in respect of prior years	13,161	(769,477)
Group relief	(883,138)	-
Other permanent differences	-	118
Deferred tax adjustments in respect of prior years	(10,312)	11,919
Non-tax deductible impairment	440,051	939,439
Additional deduction for Land Remediation	(8,299)	(1,012)
Losses carried back	-	785,621
Deferred Tax adjustment	-	(1,065,690)
Remeasurement of deferred tax for changes in tax rates	1,578,534	1,026,445
Taxation charge/(credit) for the period	2,646,013	(577,319)

In addition to the amount charged/(credited) 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

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

10 Taxation

(Continued)

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 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £	2021 £
In respect of:			
Property, plant and equipment	12	247,503	4,091,758
Recognised in:			
Administrative expenses	5	247,503	4,091,758

12 Tangible fixed assets

	Freehold buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 February 2021	145,241,291	46,397,577	191,638,868
Additions	2,560,674	4,592,427	7,153,101
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	26,902,181	146,469,490

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.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

12 Tangible fixed assets

(Continued)

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.

The historical cost of the freehold land and buildings included at valuation is £85,806,324 (2021: £83,245,650) and accumulated historical cost depreciation is £4,385,057 (2021: £3,871,299). As such, the historical cost net book value of the freehold land and buildings is £81,421,267 (2021: £79,374,351).

13 Stocks

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

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	87,571	178,272
Corporation tax recoverable	772,460	713,202
Amounts owed by group undertakings	7,423,734	2,687,162
Other debtors	75,625	357,559
Prepayments and accrued income	655,007	446,961
	9,014,397	4,383,156

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,215,380	846,892
Amounts owed to group undertakings	49,436,597	48,830,513
Taxation and social security	1,222,122	1,304,433
Other creditors	1,118,642	1,434,171
Accruals and deferred income	4,032,921	2,440,162
	61,025,662	54,856,171

16 Provisions for liabilities

	2022 £	2021 £
Provisions	115,840	431,676

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

16	Provisions for liabilities	(Continued)
	Movements on provisions:	
		Provisions £
	At 1 February 2021	431,676
	Utilisation of provision	(315,836)
	At 30 January 2022	115,840

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

17 Deferred taxation

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

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	6,577,226	3,944,404
Revaluations	20,350,380	7,044,716
	26,927,606	10,989,120
		2022 £
Movements in the period:		
Liability at 1 February 2021		10,989,120
Charge to profit or loss		2,632,852
Charge to equity		13,305,634
Liability at 30 January 2022		26,927,606

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

18 Retirement benefit schemes

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

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company 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.

19 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary Shares of £0.50 each	6,468,596	6,468,596	3,234,298	3,234,298

20 Share premium account

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

21 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.

22 Profit and loss reserves

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

23 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.

24 Related party transactions

AMBER TAVERNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 52 WEEK PERIOD ENDED 30 JANUARY 2022

24 Related party transactions

(Continued)

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.

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.

Creditor balance with Director S Frankland in relation to expenses of £1,172 (2021: £0)

25 Ultimate controlling party

The Company is a subsidiary of Melli Limited. 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. Amber Taverns Ltd is also included in the consolidation accounts of Kildale Parentco Ltd along with all the subsidiary companies. Kildale Topco Limited and Kildale Parentco Ltd are registered in England. Copies of their consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

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

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.