

**Apis Limited**

**Annual report and financial statements**

**Registered number 07395287**

**31 January 2016**

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## Strategic Report

### Principal activity and business review

Apis Limited is an intermediate holding company, whose parent company is Ingleby (1952) Limited, and whose ultimate subsidiary is Amber Taverns Limited. The principal activity of Amber Taverns Limited is that of public house management.

A detailed review of the trading activities of the Group, headed by Ingleby (1951) Limited, can be seen in the accounts of Amber Taverns Limited.

### Principal risks and uncertainties

#### *Economic environment risk*

With the improvement in consumer sentiment and improvements in the economic trading environment generally, the board believes their robust performance driven by their emphasis on quality and value for money should continue and provide confidence to all stakeholders in the business.

The Directors note the uncertainty concerning the outcome of the referendum on the UK's continued membership of the EU but do not believe that either the run up to or the result of the referendum will have a material impact on the business or its customers frequency of pub going.

The Company continues to acquire some closed public houses, but now acquires more trading sites and has acquired a property during the year which required licensing and consent for a change of use, the Company believe there are further opportunities from closed sites requiring change of use but continues to seek licensed properties in good locations at competitive prices. During the year all acquisitions have proven to be successful with returns exceeding target and the Company intends to continue to consider acquisitions on a site by site basis.

#### *Regulatory risk*

The sector in which the Company operates has been subject to a high level of regulation over recent years and any future changes to alcohol duty on beer and other products could add increased pressure on the Company's sales and margins. Changes to the national living wage from April 2016 may impact in the future on the terms of the operator agreement as planned increases are rolled out in future years.

#### *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. The Company has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. The Company uses an interest cap to mitigate interest rate risk. 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

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

By order of the board



J Jones  
Director

31 March 2016

## Directors' Report

The directors present their report and the financial statements for the year ended 31 January 2016.

### Results and dividends

The profit for the year, after taxation, amounted to £nil (2015: £nil).

The directors do not recommend the payment of a dividend.

### Directors

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

J Baer  
J Jones  
C Preston  
G Roberts  
G Wardman

### Going concern

The Company is part of a group headed by Ingleby (1951) Limited which has positive net assets at the balance sheet date, and has indicated its intention to provide ongoing support to the subsidiaries of the group for at least 12 months and thereafter for the foreseeable future.

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

### Qualifying third party indemnity provisions

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


### Disclosure of information to auditor

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

### Auditor

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

By order of the board

  
J Jones  
Director

The Victory Offices  
112 Victory Road  
Blackpool  
Lancashire  
FY1 3NW

31 March 2016

## **Statement of Directors' responsibilities in relation to the Strategic Report, Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent auditor's report to the members of Apis Limited**

We have audited the financial statements of Apis Limited for the year ended 31 January 2016 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) in FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Stephen Dunn (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
Edward VII Quay, Navigation Way, Preston, PR2 2YF

3 March 2016

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 January 2016*

|  | <i>Note</i> | <b>2016</b><br>£ | <b>2015</b><br>£ |
|--|-------------|------------------|------------------|
| <b>Turnover</b>                                      |             | -                | -                |
| Cost of sales  |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Gross profit</b>                                  |             | -                | -                |
| Administrative expenses                              |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Operating profit</b>                              | 2           | -                | -                |
| Interest receivable and similar income               |             | -                | -                |
| Interest payable and similar charges                 |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Profit on ordinary activities before taxation</b> |             | -                | -                |
| Tax on profit on ordinary activities                 |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Profit for the financial year</b>                 |             | -                | -                |
|  |             | <hr/> <hr/>      | <hr/> <hr/>      |
| <b>Other comprehensive income</b>                    |             |                  |                  |
| Other comprehensive income                           |             | -                | -                |
|  |             | <hr/>            | <hr/>            |
| <b>Total comprehensive income for the year</b>       |             | -                | -                |
|  |             | <hr/> <hr/>      | <hr/> <hr/>      |


The notes on pages 8 to 12 form part of the financial statements.

**Balance Sheet**  
*as at 31 January 2016*

|                             | <i>Note</i> | <b>2016</b><br>£ | 2015<br>£        |
|-----------------------------|-------------|------------------|------------------|
| <b>Fixed assets</b>         |             |                  |                  |
| Investments                 | 5           | 3,112,500        | 3,112,500        |
| <b>Current assets</b>       |             |                  |                  |
| Debtors                     | 6           | 675,079          | 675,079          |
| <b>Net assets</b>           |             | <u>3,787,579</u> | <u>3,787,579</u> |
| <b>Capital and Reserves</b> |             |                  |                  |
| Called up share capital     | 7           | 2,401,579        | 2,401,579        |
| Share premium account       |             | <u>1,386,000</u> | <u>1,386,000</u> |
| <b>Shareholders' funds</b>  |             | <u>3,787,579</u> | <u>3,787,579</u> |

The notes on pages 8 to 12 form part of the financial statements.

These financial statements were approved by the board of directors on 31 March 2016 and were signed on its behalf by:

  
**J. Jones**  
*Director*

Company registered number: 7395287



## Statement of Changes in Equity

|  | Called up<br>Share<br>capital<br>£ | Share<br>Premium<br>account<br>£ | Profit and<br>loss account<br>£ | Total<br>equity<br>£ |
|--|------------------------------------|----------------------------------|---------------------------------|----------------------|
| Balance at 3 February 2014                       | 2,401,579                          | 1,386,000                        | -                               | 3,787,579            |
| <i>Total comprehensive income for the period</i> |                                    |                                  |                                 |                      |
| Profit or loss                                   | -                                  | -                                | -                               | -                    |
| Other comprehensive income                       | -                                  | -                                | -                               | -                    |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |
| Total comprehensive income for the period        | -                                  | -                                | -                               | -                    |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |
| <b>Balance at 1 February 2015</b>                | <b>2,401,579</b>                   | <b>1,386,000</b>                 | <b>-</b>                        | <b>3,787,579</b>     |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |

|  | Called up<br>Share<br>capital<br>£ | Share<br>Premium<br>account<br>£ | Profit and<br>loss account<br>£ | Total<br>equity<br>£ |
|--|------------------------------------|----------------------------------|---------------------------------|----------------------|
| Balance at 2 February 2015                       | 2,401,579                          | 1,386,000                        | -                               | 3,787,579            |
| <i>Total comprehensive income for the period</i> |                                    |                                  |                                 |                      |
| Profit or loss                                   | -                                  | -                                | -                               | -                    |
| Other comprehensive income                       | -                                  | -                                | -                               | -                    |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |
| Total comprehensive income for the period        | -                                  | -                                | -                               | -                    |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |
| <b>Balance at 31 January 2016</b>                | <b>2,401,579</b>                   | <b>1,386,000</b>                 | <b>-</b>                        | <b>3,787,579</b>     |
|  | <hr/>                              | <hr/>                            | <hr/>                           | <hr/>                |

The notes on pages 8 to 12 form part of the financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

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

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

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 10.

The Company's ultimate parent undertaking, Ingleby (1951) Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Ingleby (1951) Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Ingleby (1951) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

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

#### *Measurement convention*

The financial statements are prepared on the historical cost.

#### *Going concern*

The Company is part of a group headed by Ingleby (1951) Limited which has positive net assets at the balance sheet date, and has indicated its intention to provide ongoing support to the subsidiaries of the group for at least 12 months and thereafter for the foreseeable future.

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

## Notes (continued)

### 1 Accounting policies (continued)

#### Basic financial instruments

##### Trade and other debtors / creditors

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

##### Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### Investments in subsidiaries

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

#### Taxation

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

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

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

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

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

### 2 Expenses and auditor's remuneration

Included in profit/loss are the following:

|   | 2016<br>£ | 2015<br>£ |
|---|-----------|-----------|
| Audit of these financial statements   | -         | -         |
| Amounts receivable by the Company's auditor and its associates in respect of: |           |           |
| - Taxation compliance services  | -         | -         |
|   | <hr/>     | <hr/>     |

The audit fees for 2016 and 2015 has been borne by Amber Taverns Limited, another group company.

### 3 Staff numbers and costs

Other than the directors, there are no individuals employed by Apis Limited. Apis staff are employed through Amber Taverns Limited, a related company.

### 4 Directors' remuneration

The directors received no remuneration for services provided to the company, as they were remunerated through Amber Taverns Limited, a related company.

## Notes (continued)

### 5 Fixed asset investments

#### Investments in subsidiary companies £

#### Cost and net book value

At 31 January 2016 and 1 February 2015

**3,112,500**

### Subsidiary undertakings

The Company has the following investments in subsidiaries:

|                       | Aggregate of<br>capital and<br>reserves<br>£ | Profit or loss<br>for the year<br>£ | Country of<br>incorporation | Class of<br>shares held | Ownership<br>2016<br>% | Ownership<br>2015<br>% |
|-----------------------|--|-------------------------------------|-----------------------------|-------------------------|------------------------|------------------------|
| Melli Limited         | (3,563,548)                                  | -                                   | United Kingdom              | Ordinary                | 100                    | 100                    |
| Amber Taverns Limited | 42,491,649                                   | 7,355,507                           | United Kingdom              | Ordinary                | 100                    | 100                    |

### 6 Debtors

|                                    | 2016<br>£      | 2015<br>£      |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | <b>675,079</b> | <b>675,079</b> |

### 7 Capital and reserves

|   | 2016<br>£        | 2015<br>£        |
|---|------------------|------------------|
| <b>Allotted, called up and fully paid</b>   |                  |                  |
| 675,079 – Ordinary shares of £1 each        | <b>675,079</b>   | 675,079          |
| 1,712,500 – A Ordinary shares of £1 each    | <b>1,712,500</b> | 1,712,500        |
| 1,400,000 – B Ordinary shares of £0.01 each | <b>14,000</b>    | 14,000           |
|   | <b>2,401,579</b> | <b>2,401,579</b> |

### 8 Related parties

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

### 9 Ultimate parent undertaking and controlling party

The ultimate parent company is Ingleby (1951) Limited, which is the largest group in which the Company is a member and for which Group Financial Statements are drawn up. Ingleby (1951) Limited is registered in England. Copies of the consolidated financial statements of Ingleby (1951) Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

## Notes (continued)

### 10 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1 these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 January 2016 and the comparative information presented in these financial statements for the year ended 1 February 2015.

In preparing its FRS 102 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

#### Reconciliation of equity

|                             | 3 February 2014  |            |                  | 1 February 2015  |            |                  |
|-----------------------------|------------------|------------|------------------|------------------|------------|------------------|
|                             | Adopted          | Effect of  | FRS 102          | Adopted          | Effect of  | FRS 102          |
|                             | UK GAAP          | transition |                  | UK GAAP          | transition |                  |
|                             | £                | £          | £                | £                | £          | £                |
| <b>Fixed assets</b>         |                  |            |                  |                  |            |                  |
| Investments                 | 3,112,500        | -          | 3,112,500        | 3,112,500        | -          | 3,112,500        |
| <b>Current assets</b>       |                  |            |                  |                  |            |                  |
| Debtors                     | 675,079          | -          | 675,079          | 675,079          | -          | 675,079          |
| <b>Net assets</b>           | <u>3,787,579</u> | <u>-</u>   | <u>3,787,579</u> | <u>3,787,579</u> | <u>-</u>   | <u>3,787,579</u> |
| <b>Capital and reserves</b> |                  |            |                  |                  |            |                  |
| Called up share capital     | 2,401,579        | -          | 2,401,579        | 2,401,579        | -          | 2,401,579        |
| Share premium account       | 1,386,000        | -          | 1,386,000        | 1,386,000        | -          | 1,386,000        |
| <b>Shareholders' funds</b>  | <u>3,787,579</u> | <u>-</u>   | <u>3,787,579</u> | <u>3,787,579</u> | <u>-</u>   | <u>3,787,579</u> |

There are no transition adjustments for the Company on adoption of FRS 102.

## Notes (continued)

### 10 Explanation of transition to FRS 102 from old UK GAAP (continued)

Reconciliation of profit for year ended 1 February 2015

|  | Adopted<br>UK GAAP<br>£ | 2015<br>Effect of<br>transition to<br>FRS 102<br>£ | FRS 102<br>£ |
|--|-------------------------|--|--------------|
| <b>Turnover</b>                                      | -                       | -  | -            |
| Cost of sales  | -                       | -  | -            |
|  | <hr/>                   | <hr/>  | <hr/>        |
| <b>Gross profit</b>                                  | -                       | -  | -            |
| Administrative expenses                              | -                       | -  | -            |
|  | <hr/>                   | <hr/>  | <hr/>        |
| <b>Operating profit</b>                              | -                       | -  | -            |
| Interest payable and similar charges                 | -                       | -  | -            |
|  | <hr/>                   | <hr/>  | <hr/>        |
| <b>Profit on ordinary activities before taxation</b> | -                       | -  | -            |
| Taxation   | -                       | -  | -            |
|  | <hr/>                   | <hr/>  | <hr/>        |
| <b>Profit for the year</b>                           | -                       | -  | -            |
|  | <hr/>                   | <hr/>  | <hr/>        |

There are no transition adjustments for the Company on adoption of FRS 102.