

**SPIRIT PUB COMPANY LIMITED**

**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the 52 weeks ended 2 January 2022**



**SPIRIT PUB COMPANY LIMITED**

**COMPANY INFORMATION**

<b>Director</b>	M Lee (appointed 15 October 2021)
<b>Company secretary</b>	Mrs L A Keswick
<b>Registered number</b>	07662835
<b>Registered office</b>	Westgate Brewery Bury St Edmunds Suffolk IP33 1QT United Kingdom

## **SPIRIT PUB COMPANY LIMITED**

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## **SPIRIT PUB COMPANY LIMITED**

### **STRATEGIC REPORT For the 52 weeks ended 2 January 2022**

#### **Introduction**

The director presents their strategic report for the 52 weeks ended 2 January 2022.

#### **Business review**

The company's principal activities are as a holding company and in the provision of financing, via intercompany loans, to fellow group undertakings.

The company's performance in the period has met the director's expectations with net assets remaining unchanged at £14,658,000 (3 January 2021: £14,658,000) and no significant change to the operations of the business is expected in future periods.

Following the acquisition of the Greene King Limited group by CK Noble (UK) Limited on 30 October 2019, the financial year end of the company was changed to 31 December so as to be coterminous with the year end of the ultimate parent undertaking, CK Asset Holdings Limited. Accordingly, the prior financial statements were prepared for 36 weeks from 27 April 2020 to 3 January 2021 and as a result, the comparative figures stated in the statement of comprehensive income, statement of changes in equity and the related notes are not comparable.

#### **Principal risks and uncertainties**

As a 100% owned subsidiary of the Greene King Limited group, the principal risks and uncertainties faced by the company are consistent with those disclosed within the Greene King Limited financial statements for the 52 weeks ended 2 January 2022.

The economic, financial, liquidity and interest rate risks are considered to be minimal on this entity due to the simple nature of its trade.

#### **Financial key performance indicators**

The operations of Spirit Pub Company Limited are managed at a Greene King Limited group level and as such no key performance indicators are monitored for the company as the director believes they would not add any understanding to the performance or position of the business. The performance of Greene King Limited is discussed in the Greene King Limited annual report and financial statements which are publicly available.

#### **Directors' statement of compliance with duty to promote the success of the company**

Under section 172 of the Companies Act 2006 the directors of the company are required to act in a way which promotes the long-term success of the company and in doing so to consider the interests of the company's stakeholders. This section of the report is designed to set out how the directors have complied with their obligations in this regard.

The directors of the company have at all times during the year under review (and at all other times) acted in the way that they considered, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so had regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly between members of the company.

## **SPIRIT PUB COMPANY LIMITED**

### **STRATEGIC REPORT (CONTINUED)** **For the 52 weeks ended 2 January 2022**

#### **Engaging with stakeholders**

The company's principal activity is that of an investment holding company. The company is a wholly owned subsidiary of the Greene King Limited group which has control of the entity and therefore all decisions affecting the company are filtered down from group, based on the group-wide strategy. The director of the company works closely with the directors of the Greene King Limited group and therefore are aware of all decisions made at group-level that will affect the company.

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



**M Lee**  
Director  
Date: 1 September 2022

## **SPIRIT PUB COMPANY LIMITED**

### **DIRECTORS' REPORT** **For the 52 weeks ended 2 January 2022**

The directors present their report and the financial statements for the 52 weeks ended 2 January 2022.

#### **Principal activity**

The company's principal activities are as a holding company and in the provision of financing, via intercompany loans, to fellow group undertakings.

#### **Directors**

The directors who served during the 52 weeks and to the date of this report were:

R Smothers (resigned 15 October 2021)

M Lee (appointed 15 October 2021)

The directors did not hold any interest in the share capital of the company during the period.

#### **Directors' and officers' indemnity insurance**

Greene King Limited group ("the group") has taken out insurance to indemnify the director of the company against third party proceedings whilst serving on the board of the company and of any subsidiary. This cover indemnifies all employees of the group who serve on the boards of all subsidiaries. These indemnity policies subsisted throughout the year and remain in place at the date of this report.

#### **Greenhouse gas emissions, energy consumption and energy efficiency action**

As a subsidiary company within the Greene King Limited Group, the company has taken the disclosure exemption in relation to Streamlined Energy and Carbon Reporting ("SECR") where disclosure is made within a parent company's group accounts. These SECR disclosures can be seen in the consolidated financial statements of Greene King Limited.

#### **Matters covered in the Strategic report**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 to include matters of strategic importance in the strategic report which otherwise would be required to be disclosed in the director's report: Section 172 statement, principal and financial risk management.

#### **Post balance sheet events**

There are no post balance sheet events requiring disclosure in the financial statements.

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



**M Lee**

Director

Date: 1 September 2022

## **SPIRIT PUB COMPANY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

**For the 52 weeks ended 2 January 2022**

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**SPIRIT PUB COMPANY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**  
For the 52 weeks ended 2 January 2022

		<b>52 weeks ended 2 January 2022 £000</b>	<b>36 weeks ended 3 January 2021 £000</b>
	<b>Note</b>		
Net impairment losses on financial assets		-	(21)
<b>Loss before tax</b>		<u>-</u>	<u>(21)</u>
Taxation	4	-	-
<b>Loss for the period</b>		<u><u>-</u></u>	<u><u>(21)</u></u>

There was no other comprehensive income for the 52 weeks ended 2 January 2022 (36 weeks ended 3 January 2021: £nil).

The notes on pages 8 to 13 form part of these financial statements.



**SPIRIT PUB COMPANY LIMITED**

Registered number:07662835

**BALANCE SHEET**

As at 2 January 2022

	Note	2 January 2022 £000	3 January 2021 £000
<b>Current assets</b>			
Debtors	6	15,084	15,084
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	7	(426)	(426)
<b>Net current assets</b>		<u>14,658</u>	<u>14,658</u>
<b>Total assets less current liabilities</b>		<u>14,658</u>	<u>14,658</u>
<b>Net assets</b>		<u>14,658</u>	<u>14,658</u>
<b>Capital and reserves</b>			
Called up share capital	8	6,739	6,739
Share premium account	9	5,253	5,253
Other reserves	9	329,828	329,828
Profit and loss account	9	(327,162)	(327,162)
<b>Equity</b>		<u>14,658</u>	<u>14,658</u>

The members have not required the company to obtain an audit for the 52 weeks in question in accordance with section 476 of the Companies Act 2006.

The company was entitled to exemption from the requirement to have an audit under section 480 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

**M Lee**

Director

Date: 1 September 2022

The notes on pages 8 to 13 form part of these financial statements.

**SPIRIT PUB COMPANY LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
For the 52 weeks ended 2 January 2022

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total equity £000
<b>At 27 April 2020</b>	<b>6,739</b>	<b>5,253</b>	<b>329,828</b>	<b>(327,141)</b>	<b>14,679</b>
Loss for the period	-	-	-	(21)	(21)
<b>At 4 January 2021</b>	<b>6,739</b>	<b>5,253</b>	<b>329,828</b>	<b>(327,162)</b>	<b>14,658</b>
<b>At 2 January 2022</b>	<b>6,739</b>	<b>5,253</b>	<b>329,828</b>	<b>(327,162)</b>	<b>14,658</b>

The notes on pages 8 to 13 form part of these financial statements.

## **SPIRIT PUB COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the 52 weeks ended 2 January 2022**

#### **1. GENERAL INFORMATION**

Spirit Pub Company Limited is a private company limited by shares incorporated and domiciled in England & Wales.

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where indicated.

#### **2. ACCOUNTING POLICIES**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and applicable accounting standards.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Following the acquisition of the Greene King Limited group by CK Noble (UK) Limited on 30 October 2019, the financial year end of the company was changed to 31 December so as to be coterminous with the year end of the ultimate parent undertaking, CK Asset Holdings Limited. Accordingly, the prior financial statements were prepared for 36 weeks from 27 April 2020 to 3 January 2021 and as a result, the comparative figures stated in the statement of comprehensive income, statement of changes in equity and the related notes are not comparable.

##### **2.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Greene King Limited as at 2 January 2022 and these financial statements may be obtained from Westgate Brewery, Bury St Edmunds, Suffolk, IP33 1QT.

## SPIRIT PUB COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 2 January 2022

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.3 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

### 2.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

### 2.5 Intercompany balances

Amounts owed by or to group undertakings are classified as short term assets or liabilities unless there is a formal loan arrangement in place that specifies repayment over a period longer than one year at the balance sheet date or they are intended for long-term funding purposes in which case they are held as fixed asset investments.

The company recognises a loss allowance for expected credit losses on amounts due from group undertakings. The methodology used to determine the amount of the expected credit loss is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

For those financial assets where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses are recognised. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. For those financial assets where the credit risk has increased significantly (or determined to be credit impaired), lifetime expected credit losses are recognised. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset (or for credit impaired assets, to the net carrying amount of the financial asset).

## 3. STAFF COSTS

The company has no employees (36 weeks ended 3 January 2021: none) and did not incur any staff costs during the period (36 weeks ended 3 January 2021: £nil).

The director did not receive any remuneration during the current or previous period in respect of his services provided to the company.

## 4. TAXATION

	52 weeks ended 2 January 2022 £000	36 weeks ended 3 January 2021 £000
Total current tax	-	-

# **SPIRIT PUB COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** For the 52 weeks ended 2 January 2022

### **4. TAXATION (CONTINUED)**

#### **FACTORS AFFECTING TAX CHARGE FOR THE PERIOD**

The tax assessed for the period is the same as (2021:lower than) the standard rate of corporation tax in the UK of 19.0% (2021:19.0%). The differences are explained below:

	<b>52 weeks ended 2 January 2022 £000</b>	<b>36 weeks ended 3 January 2021 £000</b>
Profit/(loss) on ordinary activities before tax	-	(21)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2021:19.0%)	-	(4)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	4
<b>Total tax charge for the period</b>	-	-

#### **FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

Under Finance Act 2021 enacted on 10 June 2021, the Corporation Tax rate for the 12 months from 3 January 2021 remains at 19%, but will increase to 25% as the planned main rate of corporation tax from 1 April 2023.

**SPIRIT PUB COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the 52 weeks ended 2 January 2022

**5. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £000
<b>COST</b>	
At 4 January 2021	343,525
At 2 January 2022	<u>343,525</u>
<b>Impairment</b>	
At 4 January 2021	343,525
At 2 January 2022	<u>343,525</u>
<b>Net book value</b>	
At 2 January 2022	<u>-</u>
At 3 January 2021	<u>-</u>

**6. DEBTORS: Amounts falling due within one year**

	2 January 2022 £000	3 January 2021 £000
Amounts owed by group undertakings	<u>15,084</u>	<u>15,084</u>

Amounts owed by group undertakings are unsecured, bear no interest, have no fixed date of repayment and are repayable on demand. Expected credit losses of £52,000 (2021: £52,000) have been recognised against the carrying value.

**7. CREDITORS: Amounts falling due within one year**

	2 January 2022 £000	3 January 2021 £000
Amounts owed to group undertakings	<u>426</u>	<u>426</u>

Amounts owed to group undertakings are unsecured, bear no interest, have no fixed date of repayment and are repayable on demand.

# **SPIRIT PUB COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the 52 weeks ended 2 January 2022**

### **8. CALLED UP SHARE CAPITAL**

	2 January 2022 £	3 January 2021 £
<b>Allotted, called up and fully paid</b>		
673,948,253 (2021:673,948,253) Ordinary shares of £0.01 each	<b>6,739,483</b>	6,739,483
1 (2021:1) Deferred share of £0.01	-	-
	<u><b>6,739,483</b></u>	<u><b>6,739,483</b></u>

### **9. RESERVES**

#### **Share premium account**

Share premium represents the excess of proceeds received over the nominal value of new shares issued.

#### **Other reserves**

Other reserves represents a merger reserve of comprising of capital contributions received and amounts recognised on the acquisition of Spirit Pub Company (Holdco) Limited as part of the demerger from the Punch Taverns plc group in 2011.

#### **Profit and loss account**

Profit and loss account reserve represents accumulated retained earnings.

### **10. RELATED PARTY TRANSACTIONS**

During the period the company entered into transactions, in the ordinary course of business, with other related parties. The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with related parties that are wholly owned subsidiaries of the CK Asset Holdings Limited group. Amounts shown as owed to and by group subsidiaries are all held with other group undertakings. There were no transactions entered into during the financial year or trading balances outstanding at the balance sheet date with other related parties.

## **SPIRIT PUB COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the 52 weeks ended 2 January 2022**

#### **II. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

At the balance sheet date, the director considers the immediate parent undertaking and immediate controlling party of Spirit Pub Company Limited to be Greene King Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and ultimate controlling party is CK Asset Holdings Limited, a company registered in the Cayman Islands and registered in Hong Kong, with its shares listed on the Main Board of the Hong Kong Stock Exchange.

Greene King Limited is the smallest group which includes the results of the company and for which group financial statements are prepared. Copies of its group financial statements are available from Westgate Brewery, Bury St Edmunds, Suffolk, IP33 1QT.

CK Asset Holdings Limited is the largest group which includes the results of the company and for which group financial statements are prepared. Copies of its group financial statements are available from 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.