

Registered No.
08880081

The Laine Midco Limited

Report and Financial Statements

18 August 2019



The Laine Midco Limited
Period ended 18 August 2019

COMPANY INFORMATION

DIRECTORS

M P Swindon	Resigned	26-Mar-19
S E T Green		
N A Bulkin		
E Bashforth	Appointed	26-Mar-19

AUDITOR

Cooper Parry Group Limited
Sky View
Argosy Road
East Midlands Airport
Derby
DE74 2SA

SOLICITORS

Freeths LLP
1 Vine Street
Mayfair
London
W1J 0AH

REGISTERED OFFICE

146 Springfield Road
Brighton
East sussex
BN1 6BZ

The Laine Midco Limited
Period ended 18 August 2019

STRATEGIC REPORT

Registered No. 08880081

REVIEW OF THE BUSINESS

The principal activity of the company is as an intermediate holding company

RESULTS AND DIVIDENDS

The loss after taxation for the 50 week period amounted to £9,000 (61 week period ended 31 August 2018: profit after taxation of £41,000). The directors do not propose the payment of a final dividend (2018: £nil).

RISKS AND UNCERTAINTIES

Liquidity risk

In order to maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Capital risk

The company's capital structure is made up of loan notes, issued share capital and reserves. The company is able to generate sufficient returns to service the debt. Debt is monitored by a variety of measures which are reported to debt providers on a quarterly basis.

GOING CONCERN

As explained in note 2, the directors have concluded that the company has adequate resources to remain in operation for the foreseeable future. Therefore the directors have continued to adopt the going concern basis in preparing these financial statements.

On behalf of the board



E Bashforth

Director

24 August 2020

The Laine Midco Limited

Period ended 18 August 2019

DIRECTORS' REPORT

Registered No. 08880081

The directors present their report and financial statements for the financial period ended 18 August 2019.

DIRECTORS

The directors of the company who served during the period are listed on the Company Information page.

A third party indemnity provision (as defined in section 234 of the Companies Act 2006) is in force for the benefit of the directors.

POST BALANCE SHEET EVENTS

At the date of signing these financial statement, the directors have considered the effect of the Covid-19 pandemic on the group with the information available to it, and do not believe it will affect the group's ability to continue to trade for the foreseeable future. As with most UK businesses there will be short term difficulties posed by the downturn in trade but we have altered our financial and operational approach in order to address and manage them. Since reopening much of the business on 4th July, trading has exceeded expectation and, although remaining short of the previous year, trading patterns suggest a quicker recovery than initially modelled.

APPROVAL OF REDUCED DISCLOSURES

The company, as qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by shareholders holding in aggregate 5 per cent or more of the total allocated shares in the company.

DISCLOSURE IN THE STRATEGIC REPORT

Details of risks and uncertainties and future developments can be found in the strategic report and form part of this report by cross-reference.

AUDIT INFORMATION

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

The company has elected to dispense with the obligation to appoint an auditor annually under s487 of the Companies Act 2006.

On behalf of the board



E Bashforth
Director

24 August 2020

The Laine Midco Limited
Period ended 18 August 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report, the Strategic 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), 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE LAINE MIDCO LIMITED**

Opinion

We have audited the financial statements of The Laine Midco Limited for the year ended 18 August 2019 which comprise the profit and loss account, balance sheet, statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 18 August 2019 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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.

Material uncertainty related to going concern as a result of Covid 19

We draw attention to the going concern accounting policy of the financial statements which highlights that the company is likely to be impacted by the Covid 19 pandemic. The extent to which the company is impacted, and its ability to continue as a going concern is uncertain, and will depend upon the severity of the pandemic. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our audit 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Other matters prescribed by the Companies Act 2006

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

- 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; 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 our 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 or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.



Katharine Warrington (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 24 August 2020

The Laine Midco Limited
Period ended 18 August 2019

PROFIT & LOSS ACCOUNT

for the 50 week period ended 18 August 2019

		50 week period ended 18 August 2019	61 week period ended 31 August 2018
	Notes	Total	Total
		£000	£000
TURNOVER		-	-
Loss on impairment of fixed asset investments	4	(9)	-
OPERATING LOSS		(9)	-
Interest receivable	6	-	947
Interest payable and similar charges	7	-	(947)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(9)	-
Tax on loss on ordinary activities	8	-	41
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(9)	41

The profit and loss account relates to continuing activities.


There are no recognised gains or losses other than those shown above.

The Laine Midco Limited
Period ended 18 August 2019

BALANCE SHEET
as at 18 August 2019

	<i>Notes</i>	18 August 2019 £000	31 August 2018 £000
FIXED ASSETS			
Investments	9	-	9
		-	9
CURRENT ASSETS			
Debtors	10	20,071	16,908
		20,071	16,908
CURRENT LIABILITIES			
Creditors: amounts falling due in less than one year	11	(20,077)	(16,914)
		(20,077)	(16,914)
NET CURRENT LIABILITIES, BEING TOTAL ASSETS LESS CURRENT LIABILITIES		(6)	(6)
TOTAL ASSETS LESS CURRENT LIABILITIES		(6)	3
NET (LIABILITIES) / ASSETS		(6)	3
CAPITAL AND RESERVES			
Called up share capital	12	9	9
Profit and loss account		(15)	(6)
SHAREHOLDER'S (DEFICIT) / FUNDS		(6)	3

The financial statements were approved and authorised for issue by the board and signed on its behalf on
24 August 2020



E Bashforth

Registered No. 08880081

The Laine Midco Limited
Period ended 18 August 2019

STATEMENT OF CHANGES IN EQUITY
for the 50 week period ended 18 August 2019

	Share Capital £000	Profit & Loss Account £000	Total Equity £000
At 30 June 2017	9	(47)	(38)
Profit for the period	-	41	41
At 31 August 2018	9	(6)	3
Loss for the period	-	(9)	(9)
At 18 August 2019	9	(15)	(6)

Share Capital represents the nominal value of shares that have been issued.

The Profit and Loss Account represents all current and prior periods retained profit and losses after the payment of dividends.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

1 STATUTORY INFORMATION

The Laine Midco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page

2 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historic cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The financial statements have been prepared over a 50 week period to 18 August 2019. Following the refinancing in 2018 the board decided that the company's reference period should be aligned with The Vine Acquisitions Group. The comparatives and related notes in the financial statements are not entirely comparable.

The functional currency of The Laine Midco Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling.

The Laine Midco Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Laine Midco Limited is consolidated in the financial statements of its parent, Vine Acquisitions Limited.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows
- the requirement of section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Coronavirus and Going concern

At the balance sheet date the company had sufficient cash and strong support from the wider group. At the time of signing these accounts the directors have considered the effect of the coronavirus on the going concern position, and consider that this does indicate that the company will continue to trade for a period of at least 12 months from the date of signing these accounts.

The financial forecasts prepared by the directors show that the company will be able to operate within the facilities available to it. The ultimate parent has shown willingness to provide additional support to the company as required.

On that basis the directors have prepared these financial statements on a going concern basis.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS

for the 50 week period ended 18 August 2019

Fixed asset investments

Investments are stated at cost, less provision for impairment in value. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Significant accounting estimates and judgement

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and estimates in applying the company's accounting policies

There are no significant judgements or estimates likely to have a material impact on future financial statements.

Investments in subsidiaries

Investments in subsidiaries and associate undertakings are accounted for at cost less impairment in the individual financial statements.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is not provided on unremitted earnings where there is no binding commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial Liabilities and equity

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

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Loan notes

The nature of any loan notes is reviewed on issue and treated, depending on their characteristics, as either wholly debt, as compound instruments, consisting of a liability component and an equity component or wholly equity. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of a convertible instrument and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the group, is included in the equity.

Issue costs, if any, are apportioned between the liability and equity components of the convertible loan notes based on their relative carry amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the preference share liability.

Non-underlying items

In order to provide a trend measure of underlying performance, profit is presented excluding items that management believe will distort comparability, either due to their significant nature, or as a result of specific accounting treatments. Further detail on the nature of non-underlying items is included in note 4.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

3 AUDITORS' REMUNERATION

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
The auditing of accounts of the Group and all subsidiaries of the company	1	4
Total Audit Fees	<u>1</u>	<u>4</u>
Total Fees Payable	<u>1</u>	<u>4</u>

4 NON-UNDERLYING ITEMS

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
Loss on impairment of investments	9	-
	<u>9</u>	<u>-</u>

5 EMPLOYEES AND DIRECTORS

There were no employees in the current year and prior year.

	50 week period ended 18 August 2019	61 week period ended 31 August 2018
Directors' remuneration	-	-

Directors are remunerated via other group companies.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

6 INTEREST RECEIVABLE

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
Interest receivable from group undertakings	-	947
	<u>-</u>	<u>947</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
Interest payable on loan notes to third parties	-	374
Interest payable on loan notes to other group undertakings	-	573
	<u>-</u>	<u>947</u>

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

8

TAXATION

Tax recognised in the profit and loss account

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
Current tax:		
UK corporation tax	-	(41)
	-	(41)
Total tax credit for the period	-	(41)

There is no provided or unprovided deferred tax.

Reconciliation of tax credit

	50 week period ended 18 August 2019 £000	61 week period ended 31 August 2018 £000
Loss on ordinary activities before taxation	(9)	-
Current tax at 19.00% (2018: 19.00%)	(2)	-
Effects of:		
Net effect of expenses not deductible for tax purposes and non-tax	2	-
Group Relief	-	71
Deferred tax not provided	-	(71)
Adjustments in respect of prior periods	-	(41)
Total tax credit	-	(41)

As at 27 September 2019 the substantively enacted rate for deferred tax calculation purposes was 17% and deferred taxation has been calculated at this rate. On 11 March 2020 the Chancellor of the exchequer announced that the tax rate reduction from 19% to 17% was no longer going to be implemented.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

9 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £000
Cost:	
As at 18 August 2019 and 31 August 2018	<u>9</u>
Impairment:	
As at 31 August 2018	-
Provision for impairment	<u>9</u>
As at 18 August 2019	<u>9</u>
Net book value:	
As at 18 August 2019	<u>-</u>
As at 31 August 2018	<u>9</u>

Held directly:

The Laine Pub Company Limited	Pub operating company
The Laine Brewing Company Limited	Brewery
Smithy Inns Limited	Pub operating company
Zelgrain Limited	Property leasing company
The Laine Bidco Limited	Non-trading company
C-Side (Holdings) Limited	Non-trading company
C-Side Limited	Property leasing company

Held indirectly:

Mash Inns Limited	Pub operating company
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The above companies are incorporated in England and Wales.

The registered office is the same as The Laine Midco Limited apart from Mash Inns Limited, their registered office is 3 Monkspath Hall Road, Solihull, B90 4SJ.

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

10 DEBTORS

	2019	2018
	£000	£000
Amounts falling due in less than one year:		
Amounts due from group undertakings	-	12,555
Loans due from group undertakings	20,071	4,353
	<u>20,071</u>	<u>16,908</u>
Aggregate amounts	<u>20,071</u>	<u>16,908</u>

11 CREDITORS: amounts falling due in less than one year

	2019	2018
	£000	£000
Loans owed to group undertakings	20,077	8,379
Amounts owed to group undertakings	-	8,535
	<u>20,077</u>	<u>16,914</u>

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

12 SHARE CAPITAL

	2019	2019	2018	2018
	No.	£	No.	£
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	<u>9,066</u>	<u>9,066</u>	<u>9,066</u>	<u>9,066</u>

The Laine Midco Limited
Period ended 18 August 2019

NOTES TO THE FINANCIAL STATEMENTS
for the 50 week period ended 18 August 2019

13 POST BALANCE SHEET EVENTS

Subsequent to the year end, there has been an outbreak of coronavirus which has developed into a global pandemic. The directors' assessment of the impact of the company is disclosed in the directors' report.

14 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is The Laine Acquisition Limited a company registered in England & Wales.

The company's ultimate parent undertaking and controlling party is Patron Capital, V L.P., a Jersey L.P. managed and controlled in Jersey.

The largest group in which the results of the company are consolidated is that headed by Vine Acquisitions Limited, a company registered in England & Wales.

Copies of the financial statements of Vine Acquisitions Limited are available from Companies House.