

COMPANY REGISTRATION: 09416020

SADLER'S BREWHOUSE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30 June 2023

FRIDAY



ACZG572J

A15

22/03/2024

#98

COMPANIES HOUSE

Annual report and financial statements 2023

Contents

	Page
Company information	1
Directors' report	2
Profit and loss account	3
Statement of comprehensive income	3
Balance sheet	4
Statement of changes in equity	5
Notes to the financial statements	6

Company information

Directors	K Pillay (Appointed 12 July 2022, resigned 25 July 2023) E P Williamson (Appointed 12 July 2022) J H T Kennedy (Resigned 12 July 2022, appointed 6 March 2023) S A Hainsworth (Resigned 31 October 2022)
Registered office	Unit 2 Conyers Trading Estate Station Drive Lye, Stourbridge West Midlands England DY9 3EH
Registered number	05063381
Bankers	HSBC Bank PLC 114 High Street Stourbridge West Midlands DY8 1DZ

Directors' report

The directors present their report and financial statements of the company for the year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year continued to be that of a bar.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £241k (2022: £338k). No dividends were declared or paid during the current or preceding year.

DIRECTORS

The present directors of the company who served throughout the year and thereafter, unless otherwise stated, are set out on page 1.

GOING CONCERN

The directors have considered the going concern assumption and continue to adopt the going concern basis in preparing the annual report and financial statements, as documented in note 1 to the accounts.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 year. 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; 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.

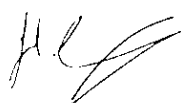
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

APPROVAL

The Director's Report was approved by the Board on 19 March 2024 and signed on its behalf by:



J H T Kennedy
Director

Profit and loss account

For the year ended 30 June 2023

	Note	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Turnover	4	10	80
Cost of sales		-	(64)
Gross Profit		10	16
Administrative expenses		(177)	(472)
Other operating income		-	82
Operating loss	5	(167)	(374)
Interest payable and similar charges	7	(81)	(20)
Gain on disposal		-	79
Loss before taxation		(248)	(315)
Tax credit/(charge) on loss	8	7	(23)
Loss for the financial year		(241)	(338)
Statement of comprehensive income			
Total comprehensive income expense for the year		(241)	(338)

The company's activities derive from continuing operations.

The company has no recognised gains and losses other than those included in the results above.

The notes on pages 6 to 13 form an integral part of the financial statements.

Balance sheet

As at 30 June 2023

	Note	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Fixed assets			
Tangible assets	9	595	697
Current assets			
Stock	10	13	13
Debtors	11	93	315
Cash at bank and in hand		3	9
		109	337
Creditors: amounts falling due within one year	12	(2,205)	(2,286)
Net current liabilities		(2,096)	(1,949)
Total assets less current liabilities		(1,500)	(1,252)
Provision for liabilities	13	(6)	(14)
Net liabilities		(1,507)	(1,266)
Capital and reserves			
Called up share capital	14	732	732
Profit and loss account		2,239	(1,998)
Shareholders' funds		(1,507)	(1,266)

The notes on pages 6 to 13 form an integral part of the financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ended 30 June 2023, the company was entitled to exemption under section 479A of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year ended 30 June 2023 in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements of Sadler's Brewhouse Limited, registered number 09416020, were approved by the board of directors on 19 March 2024 and signed on its behalf by:



J H T Kennedy
Director

Statement of changes in equity

For the year ended 30 June 2023

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
Balance as at 30 June 2021	732	(1,660)	(928)
Loss for the year and total comprehensive expense	-	(338)	(338)
	<hr/>	<hr/>	<hr/>
Balance as at 30 June 2022	732	(1,998)	(1,266)
	<hr/>	<hr/>	<hr/>
Loss for the year and total comprehensive expense	-	(241)	(241)
	<hr/>	<hr/>	<hr/>
Balance as at 30 June 2023	732	(2,239)	(1,507)
	<hr/>	<hr/>	<hr/>

The notes on pages 6 to 13 form an integral part of the financial statements.

Notes to the financial statements

For the year ended 30 June 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

General information and basis of preparation

Sadler's Brewhouse Limited is a private limited company limited by shares and incorporated in Scotland. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Director's report on page 2. The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards. The functional currency of Sadler's Brewhouse Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The year-end has been extended by seven (7) days as permitted by legislation

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the available exemptions to not disclose:

- A statement of cash flows;
- Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated; and
- Key management personnel compensation in total.

Going concern

The company meets its day-to-day working capital requirements through loans from its parent undertaking and fellow subsidiary companies.

The directors are in receipt of a letter of support from its ultimate parent company, Halewood Artisanal Spirits PLC. This letter of support confirms that the loans from group undertakings, and intercompany trade balances will not need to be repaid and the company will continue to receive support to meet its forecasted requirements for a minimum of 12 months from the date the accounts are signed provided there are no material changes to the company's or the parent company's trading position in comparison to that currently forecast.

In carrying out their duties in respect of going concern, the directors have carried out a review of the company's financial position and cash flow forecast for a year of 12 months from the date of signing these financial statements. These have been based on a comprehensive review of revenue, expenditure and cash flows, taking into account specific business risks and the uncertainties brought about by the current economic environment. Management regularly perform sensitivity analysis on forecasts, and have identified no specific risks relating to breach of bank covenants.

Turnover

Turnover comprises sales to customers less discounts and allowances and is net of value added tax. Turnover is recognised upon purchase of goods, which is when the risks and rewards are considered to be transferred to the customer.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes any expenses incurred in bringing each product to its present location and condition, using a first in, first out (FIFO) basis. Net realisable value is based on estimated selling price less further expected costs of disposal.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Notes to the financial statements (continued)

For the year ended 30 June 2023

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit unless it was a reversal of a past revaluation surplus in which case it would be taken to the statement of comprehensive income. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

- Freehold buildings 2% straight line on cost or valuation
- Fixtures and fittings 15% to 25% straight line on cost
- Plant and machinery 5% to 25% straight line on cost

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised where the recoverability against future taxable profits is considered to be more likely than not.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

- *Financial assets*

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting year, financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the financial statements (continued)

For the year ended 30 June 2023

1. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

- *Financial liabilities*

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2. STATEMENT OF COMPLIANCE

The financial statements of Sadler's Brewhouse Limited, have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), and the Companies Act 2006.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, 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 experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical judgements in applying the company's accounting policies

The following are the critical judgements that the Directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Stock provision

Non-moving, slow moving and short dated stocks are assessed at the balance sheet date and if it is deemed that there is a material risk that some or all of the stock cannot be sold, then a provision is made.

Recoverability of trade debtors

The risk of debtor default is assessed by reference to overdue amounts and recent payment history. If there is a deemed material risk of non-payment, a provision is made.

4. TURNOVER

All turnover arises in the United Kingdom and is derived from the principal activity. Turnover by origin and destination are not materially different.

Notes to the financial statements (continued)

For the year ended 30 June 2023

5. OPERATING LOSS

Operating loss is stated after charging:

	Year ended 30 June 2023 £'000	Year ended 30 July 2022 £'000
Depreciation of tangible fixed asset - owned	102	100
	<hr/>	<hr/>

6. EMPLOYEES

Staff costs during the year were as follows:

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Wages and salaries	-	105
	<hr/>	<hr/>

The average monthly number of employees during the year was made up as follows:

	2023	2022
Administration	-	18
	<hr/>	<hr/>

No directors were employed by the company during the current or preceding year.

Notes to the financial statements (continued)

For the year ended 30 June 2023

7. INTEREST PAYABLE

	Year ended 30 June 2022 £'000	Year ended 30 June 2022 £'000
Interest due to fellow subsidiary undertakings	81	20

8. TAX CHARGE ON LOSS

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Total deferred tax charge	23	23
Total tax on loss	23	23

The standard rate of tax applied to reported profit is 19% up to the end of March 2023 and 25% from the start of April 2023 onwards (2022: 19%).

The effective rate for the year ended 30 June 2023 is 20.53%. Deferred taxes on 30 June 2023 have been measured using this enacted tax rate and reflected in these financial statements.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Loss before taxation	(248)	(315)
Tax charge/(credit) on profit on ordinary activities at standard UK corporation tax rate of 20.53% (2022: 19%)	(51)	(60)
Effects of:		
- Group relief	30	13
- Expenses not deductible	14	69
- Adjustments from previous years	1	23
- Tax rate changes	(1)	-
- Other	-	(22)
Total tax charge/(credit) for the year	(7)	23

Notes to the financial statements (continued)

For the year ended 30 June 2023

9. TANGIBLE FIXED ASSETS

	Land & Buildings £'000	Furniture & Fittings £'000	Computer & Software £'000	Total £'000
Cost				
At 30 June 2022	776	272	2	1,050
At 30 June 2022	776	272	2	1,050
Accumulated Depreciation				
At 30 June 2022	186	166	1	353
Charge for the year	65	36	1	102
At 30 June 2023	251	202	2	455
Net book value				
At 30 June 2023	525	70	-	595
At 30 June 2022	590	106	1	697

Notes to the financial statements (continued)

For the year ended 30 June 2023

10. STOCK

	30 June 2023 £'000	30 June 2022 £'000
Finished goods	13	13
	<hr/>	<hr/>

11. DEBTORS

	30 June 2023 £'000	30 June 2022 £'000
Trade debtors	81	81
Prepayments	10	234
Other debtors	2	-
	<hr/>	<hr/>
	93	315
	<hr/>	<hr/>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 June 2023 £'000	30 June 2022 £'000
Trade creditors	-	51
Other taxes and social security	12	-
Accruals and deferred income	72	65
VAT payable	-	9
Other creditors	2	-
Amount due to fellow subsidiary undertakings	2,119	2,161
	<hr/>	<hr/>
	2,205	2,286
	<hr/>	<hr/>

All amounts are due within one year. Amounts due to fellow subsidiary undertakings are repayable on demand with interest charged at 4%.

Notes to the financial statements (continued)

For the year ended 30 June 2023

13. DEFERRED TAXATION

	30 June 2023 £'000	30 June 2022 £'000
Opening deferred tax liability	14	(19)
Adjustments in respect of prior years	1	23
Deferred tax charged to income statement for the year	(18)	-
Closing deferred tax liability	7	14

14. CALLED-UP SHARE CAPITAL

	30 June 2023	30 June 2022
Allotted, called-up and fully paid		
732,400 ordinary shares of £1 each	732,400	732,400

15. CONTINGENT LIABILITY

The company is party to group borrowings facilities under which the various UK companies in the group have unlimited cross-guaranteed in respect of the others' bank borrowings. At 30 June 2023, these borrowings amounted to £92,233k (2022: £2,624k).

16. RELATED PARTY TRANSACTIONS

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned as permitted by FRS 102 Section 33.

17. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parent undertaking is Halewood International Holdings UK Limited, a company registered in England.

The ultimate parent company and parent undertaking of the largest and smallest group which includes the company is Halewood Artisanal Spirits PLC, a company registered in England. Group accounts Halewood Artisanal Spirits PLC are available to the public from Companies Registration Office, Great Portland Street, London, England, W1W 5PA.

In the opinion of the directors, the Estate of Mr J E Halewood, and members of his close family control the company as a result of holding a majority share of the issued share capital and attached voting rights.

18. POST BALANCE SHEET EVENTS

No material post balance sheet events noted.