

Company Registration No. 10123519 (England and Wales)

CRATE GROUP (LONDON) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022
PAGES FOR FILING WITH REGISTRAR

CRATE GROUP (LONDON) LIMITED

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CRATE GROUP (LONDON) LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	5		3,408		-
Investments	6		300		300
			<u>3,708</u>		<u>300</u>
Current assets					
Debtors	7	1,105,179		156,004	
Cash at bank and in hand		157,479		781	
		<u>1,262,658</u>		<u>156,785</u>	
Creditors: amounts falling due within one year	8	<u>(1,118,401)</u>		<u>(501,015)</u>	
Net current assets/(liabilities)			<u>144,257</u>		<u>(344,230)</u>
Total assets less current liabilities			<u>147,965</u>		<u>(343,930)</u>
Creditors: amounts falling due after more than one year	9		<u>(315,393)</u>		<u>(292,926)</u>
Net liabilities			<u>(167,428)</u>		<u>(636,856)</u>
Capital and reserves					
Called up share capital	10		216		216
Share premium account			962,464		962,464
Profit and loss reserves			<u>(1,130,108)</u>		<u>(1,599,536)</u>
Total equity			<u>(167,428)</u>		<u>(636,856)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

CRATE GROUP (LONDON) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2022

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

T Seaton
Director

Company Registration No. 10123519

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

Company information

Crate Group (London) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Worsley Court, High Street, Worsley, Manchester, M28 3NJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has made a loss before tax of £241,614 (2021: £1,463,648) and has net current liabilities of £163,159 (2021: £637,156). The company is therefore reliant on the continued support of its directors and creditors. It has been indicated that this support will continue for the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	50% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

1.8 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Exceptional item

	2022	2021
	£	£
Expenditure		
Intercompany loan write off	-	1,406,207

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

(Continued)

3 Exceptional item

In the prior period Crate Drinks Limited entered into administration resulting in a loan write off of £1,406,207.

4 Employees

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

	2022 Number	2021 Number
Total	3	3

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 February 2021	-
Additions	3,980
At 31 January 2022	3,980
Depreciation and impairment	
At 1 February 2021	-
Depreciation charged in the year	572
At 31 January 2022	572
Carrying amount	
At 31 January 2022	3,408
At 31 January 2021	-

6 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	300	300

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

7 Debtors				
			2022	2021
			£	£
Amounts falling due within one year:				
Amounts owed by group undertakings			8,109	156,002
Other debtors			869,256	2
			<u>877,365</u>	<u>156,004</u>
			2022	2021
			£	£
Amounts falling due after more than one year:				
Deferred tax asset			227,814	-
			<u>227,814</u>	<u>-</u>
Total debtors			<u>1,105,179</u>	<u>156,004</u>
8 Creditors: amounts falling due within one year				
			2022	2021
			£	£
Trade creditors			10,596	-
Amounts owed to group undertakings			529,691	200
Taxation and social security			13,243	-
Other creditors			564,871	500,815
			<u>1,118,401</u>	<u>501,015</u>
9 Creditors: amounts falling due after more than one year				
			2022	2021
		Notes	£	£
Convertible loans			315,393	292,926
			<u>315,393</u>	<u>292,926</u>
10 Called up share capital				
	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary A Shares of 0.001p each	21,010,096	21,010,096	210	210
Investment B Shares of 0.001p each	594,590	594,590	6	6
	<u>21,604,686</u>	<u>21,604,686</u>	<u>216</u>	<u>216</u>
11 Related party transactions				

CRATE GROUP (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

11 Related party transactions

(Continued)

The following companies are all subsidiaries of the parent company Crate Group (London) Limited:

Crate Drinks Limited

Crate Bars Limited

The White Building Market Limited

Crate Brewery Limited

During the year the company wrote off intercompany loans of £Nil (2021: £1,406,207) owed from group companies.

During the year the company paid guarantor liabilities of £Nil (2021: £52,386) due to breaches in loan covenants by group companies.

During the year, the company received management fees of £807,792 (2021: £Nil) from group companies.

During the year, the company received interest payments of £13,650 (2021: £Nil) from group companies.

At the year end, the company owed £529,491 (2021: £156,002 debtor) to group companies.

At the year end, the company was owed £8,109 (2021: £Nil) from group companies.

12 Directors' transactions

At the year end the company owed its directors £423,314 (2021 £423,314).

The directors purchased £Nil (2021: £265,000) of convertible loan notes from the business in the year. The loan notes accrued interest of £20,468 (2021: £2,672) during the year.

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