

**REGISTERED NUMBER: 10842272 (England and Wales)**

**Report of the Directors and  
Audited Financial Statements for the Year Ended 31 December 2020  
for  
London Fields Brewery Opco Limited**



**London Fields Brewery Opco Limited (Registered number: 10842272)**

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for the Year Ended 31 December 2020**

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**London Fields Brewery Opco Limited**

**Company Information  
for the Year Ended 31 December 2020**

**DIRECTORS:**

A C G Lundgren  
H Lupino  
P T Davies  
G J Fewkes  
A A Andrea

**REGISTERED OFFICE:**

365 - 366 Warburton Street  
Hackney  
London  
E8 3RR

**REGISTERED NUMBER:**

10842272 (England and Wales)

**INDEPENDENT AUDITORS:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Chamberlain Square  
Birmingham  
B3 3AX

**ACCOUNTANTS:**

Cartwrights  
Chartered Accountants  
Regency House  
33 Wood Street  
Barnet  
Herts  
EN5 4BE

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Report of the Directors  
for the Year Ended 31 December 2020**

The directors present their report with the audited financial statements of the company for the year ended 31 December 2020.

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of the manufacture of beer. The company also operates a Taproom and Events business.

**REVIEW OF BUSINESS**

In 2020 the UK Beer market experienced a 30% value decline due to the impact of the coronavirus pandemic which saw the On-Trade closed for large parts of the year. The On-Trade declined approximately 50% partially offset by the Off-Trade which grew approximately 30%.

During the year the company made a loss of £3,110,862 (2019: loss of £1,103,545). At the year end the company had net liabilities of £3,797,060 (2019: £686,198) and net current liabilities of £3,773,896 (2019: £49,991).

With the closure of the On-Trade, the business model shifted to Off-Trade. The taproom was repurposed as an off-licence and also served the local On-Demand delivery market via a variety of platforms.

During the year the Company received £30,000 from the Government grant Coronavirus Job Retention Scheme, which is presented under Other operating income in the Statement of Comprehensive Income.

On 30th October 2020, London Fields Brewery Opco Limited became a wholly owned subsidiary of Carlsberg Marston's Brewing Company Limited. The change in ownership represents a larger reorganisation of the Carlsberg Marston's Brewing Group, which saw a joint venture established between Carlsberg UK Holdings Limited and Marston's Trading Limited.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2020.

**POST BALANCE SHEET EVENTS**

As a result of the pandemic the Company took the decision to exit the events business in the Arches. With the venue having been closed since the initial lockdown in 2020, the Directors have determined that this is no longer a sustainable revenue stream.

On 6<sup>th</sup> December 2021 the Directors took the decision to cease trading which is expected to happen during 2022.

**DIRECTORS**

The directors who have held office during the period from 1 January 2020 to the date of this report are as follows:

JK Losin - resigned 30 October 2020  
L Newton - resigned 30 October 2020  
T W Blawat - resigned 6 November 2020  
S Stringer - resigned 30 October 2020  
R G Findlay - appointed 30 October 2020, resigned 2 October 2021  
A C G Lundgren - appointed 30 October 2020  
H Lupino - appointed 30 October 2020  
P T Davics - appointed 6 November 2020  
J K Pastuszka - appointed 30 October 2020, resigned 1 March 2021  
G J Fewkes - appointed 1 March 2021  
A A Andrea - appointed 3 October 2021

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Report of the Directors  
for the Year Ended 31 December 2020**

**POLITICAL DONATIONS AND EXPENDITURE**

The company made no political or charitable donations during the year ended 31 December 2020.

**GOING CONCERN**

On 6th December 2021 the Directors took the decision that the Company will cease trading and the company will be liquidated in due course. In light of this decision the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern. Adjustments have been made in order to impair the tangible assets, which the Directors have determined have no ability to be cash generating. Intangible and tangible assets have been reclassified to current assets. The long-term amounts owed to group undertakings totalling £200,000 were also reclassified to creditors: amounts falling due within one year. No further reclassification adjustments were necessary. No further adjustments were necessary to reduce assets to their recoverable value. No adjustments have been made to the balance sheet in regards to liabilities arising from the decision as the decision has been made after the balance sheet date. There were no changes to accounting policies as a result of the decision to cease trading.

**CORONAVIRUS UPDATE**

Since the balance sheet date, there has continued to be significant macro-economic uncertainty as a result of the Coronavirus pandemic, the scale and duration of which inherently remains uncertain. This has had a significant impact on the business as demonstrated in the going concern section above. The directors continue to monitor and react to the situation and have contingency plans in place to safeguard our employees and to mitigate the continuing risks.

These plans have been continually adapted as the situation evolved over the past financial year and still continue to be adapted, the health and safety of our employees has always been our primary concern.

**DIRECTORS' INDEMNITIES**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006.

Such qualifying third party indemnity provision remains in force throughout the year and as at the date of approving the report of the directors.

**STRATEGIC REPORT**

The company has taken advantage of the exemption from preparing a strategic report on the grounds that it would be entitled to take advantage of the small companies exemption but for it being part of an ineligible group.

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Report of the Directors  
for the Year Ended 31 December 2020**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 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 also 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.

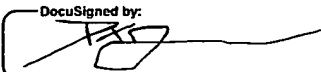
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**INDEPENDENT AUDITORS**

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

**ON BEHALF OF THE BOARD:**

DocuSigned by:  
  
.....  
P T Davies - Director

Date: 15 December 2021

**Independent Auditors' Report to the Members of  
London Fields Brewery Opco Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, London Fields Brewery Opco Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the Directors and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Emphasis of matter - financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to note 3 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

**Report of the Directors**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

**Independent Auditors' Report to the Members of  
London Fields Brewery Opco Limited**

**Responsibilities for the financial statements and the audit**

**Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of unusual journals to revenue or the manipulation of accounting estimates which could be subject to management bias. Audit procedures performed by the engagement team included:

- Understanding and evaluating the key elements of the company's internal control related to estimates
- Reviewing accounting estimates for bias and validating the support behind the assumptions and judgments made by management including challenging against possible alternatives
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations
- Reviewing legal expense accounts, board minutes and in-house legal counsel documentation
- Reading the minutes of the Board meetings to identify any inconsistencies with other information provided by management
- Substantive testing of manual journal entries, particularly focused around journals which have unexpected account relationships
- Incorporating elements of unpredictability

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



**Independent Auditors' Report to the Members of  
London Fields Brewery Opco Limited**

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

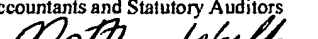
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Report of the Directors; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Matthew Walker (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham 

Date: 15 December 2021

**London Fields Brewery Opco Limited (Registered number: 10842272)****Statement of Comprehensive Income  
for the Year Ended 31 December 2020**

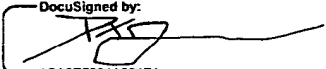
|   | Notes | 31/12/20<br>£      | 31/12/19<br>£      |
|---|-------|--------------------|--------------------|
| <b>TURNOVER</b>                                     | 5     | 1,020,641          | 1,291,588          |
| Cost of sales                                       |       | <u>(1,147,597)</u> | <u>(1,329,310)</u> |
| <b>GROSS LOSS</b>                                   |       | (126,956)          | (37,722)           |
| Administrative expenses before exceptional items    |       | (888,000)          | (809,238)          |
| Exceptional administrative expenses                 | 10    | <u>(1,961,547)</u> | <u>(134,541)</u>   |
| Total administrative expenses                       |       | (2,849,547)        | (943,779)          |
|   |       | <u>(2,976,503)</u> | <u>(981,501)</u>   |
| Other operating income                              |       | <u>32,578</u>      | <u>14,500</u>      |
| <b>OPERATING LOSS</b>                               | 7     | (2,943,925)        | (967,001)          |
| Interest payable and similar expenses               | 8     | <u>(166,937)</u>   | <u>(136,544)</u>   |
| <b>LOSS BEFORE TAXATION</b>                         |       | (3,110,862)        | (1,103,545)        |
| Tax on loss   | 9     | <u>-</u>           | <u>-</u>           |
| <b>LOSS FOR THE FINANCIAL YEAR</b>                  |       | (3,110,862)        | (1,103,545)        |
| <b>OTHER COMPREHENSIVE INCOME</b>                   |       | <u>-</u>           | <u>-</u>           |
| <b>TOTAL COMPREHENSIVE EXPENSE<br/>FOR THE YEAR</b> |       | <u>(3,110,862)</u> | <u>(1,103,545)</u> |

The notes on pages 11 to 21 form part of these financial statements

**London Fields Brewery Opco Limited (Registered number: 10842272)****Balance Sheet  
31 December 2020**

|  | Notes | 31/12/20<br>£      | 31/12/19<br>£    |
|--|-------|--------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                  |
| Intangible assets                            | 11    | -                  | -                |
| Tangible assets                              | 12    | -                  | 2,143,402        |
|  |       | -                  | 2,143,402        |
| <b>CURRENT ASSETS</b>                        |       |                    |                  |
| Intangible assets                            | 11    | -                  | -                |
| Tangible assets                              | 12    | -                  | -                |
| Stocks                                       | 13    | 85,233             | 54,548           |
| Debtors                                      | 14    | 171,297            | 346,024          |
| Cash at bank and in hand                     |       | 63,536             | 498,143          |
|  |       | 320,066            | 898,715          |
| <b>CREDITORS</b>                             |       |                    |                  |
| Amounts falling due within one year          | 15    | (4,093,962)        | (948,706)        |
| <b>NET CURRENT LIABILITIES</b>               |       | <b>(3,773,896)</b> | <b>(49,991)</b>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <b>(3,773,896)</b> | <b>2,093,411</b> |
| <b>CREDITORS</b>                             |       |                    |                  |
| Amounts falling due after more than one year | 16    | -                  | (2,779,609)      |
| <b>PROVISIONS FOR LIABILITIES</b>            | 19    | <b>(23,164)</b>    | <b>-</b>         |
| <b>NET LIABILITIES</b>                       |       | <b>(3,797,060)</b> | <b>(686,198)</b> |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                  |
| Called up share capital                      | 20    | 2                  | 2                |
| Share premium account                        | 21    | 1,199,999          | 1,199,999        |
| Accumulated losses                           | 21    | (4,997,061)        | (1,886,199)      |
| <b>SHAREHOLDERS' DEFICIT</b>                 |       | <b>(3,797,060)</b> | <b>(686,198)</b> |

The financial statements on pages 8 to 21 were approved by the Board of Directors and authorised for issue on 15 December 2021 and were signed on its behalf by:

DocuSigned by:  
  
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 P T Davies - Director

The notes on pages 11 to 21 form part of these financial statements

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Statement of Changes in Equity  
for the Year Ended 31 December 2020**

|  | <b>Called up<br/>share<br/>capital<br/>£</b> | <b>Accumulated<br/>Losses<br/>£</b> | <b>Share<br/>premium<br/>account<br/>£</b> | <b>Total<br/>equity<br/>£</b> |
|--|--|-------------------------------------|--|-------------------------------|
| <b>Balance at 1 January 2019</b>                                 | 1  | (782,654)                           | -  | (782,653)                     |
| Loss for the year  | -  | (1,103,545)                         | -  | (1,103,545)                   |
| Total comprehensive expense                                      | -  | (1,103,545)                         | -  | (1,103,545)                   |
| Issuc of share capital   | 1  | -                                   | 1,199,999                                  | 1,200,000                     |
| Total transactions with owners,<br>recognised directly in equity | 2  | (782,654)                           | 1,199,999                                  | 417,347                       |
| <b>Balance at 31 December 2019</b>                               | 2  | (1,886,199)                         | 1,199,999                                  | (686,198)                     |
| Loss for the year  | -  | (3,110,862)                         | -  | (3,110,862)                   |
| Total comprehensive expense                                      | -  | (3,110,862)                         | -  | (3,110,862)                   |
| <b>Balance at 31 December 2020</b>                               | 2  | (4,997,061)                         | 1,199,999                                  | (3,797,060)                   |

The notes on pages 11 to 21 form part of these financial statements

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Notes to the Financial Statements  
for the Year Ended 31 December 2020**

**1. STATUTORY INFORMATION**

London Fields Brewery Opco Limited is a private company, limited by shares, incorporated and domiciled in England and Wales. The company's registered office address can be found on the Company Information page.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared on the historical cost convention.

**Going concern**

On 6th December 2021 the Directors took the decision that the Company will cease trading and the company will be liquidated in due course. In light of this decision the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern. Adjustments have been made in order to impair the tangible assets, which the Directors have determined have no ability to be cash generating. Intangible and tangible assets have been reclassified to current assets. The long-term amounts owed to group undertakings totalling £200,000 were also reclassified to creditors: amounts falling due within one year. No further reclassification adjustments were necessary. No further adjustments were necessary to reduce assets to their recoverable value. No adjustments have been made to the balance sheet in regards to liabilities arising from the decision as the decision has been made after the balance sheet date. There were no changes to accounting policies as a result of the decision to cease trading.

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

**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 paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

This information is included in the consolidated financial statements of Carlsberg A/S as at 31 December 2020. See the related parties note for where the consolidated financial statements may be obtained from.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", not to disclose related party transactions with wholly owned subsidiaries within the group.

**Sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that impact the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. The areas which have a significant effect on the amounts recognised in the financial statement are disclosed in note 4.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised at the point of dispatch of goods or at the point in time the service is delivered.

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**3. ACCOUNTING POLICIES – continued**

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

Goodwill represents the difference between consideration and the fair value of assets acquired. Provision is made for any impairment.

**Tangible assets**

Tangible assets are stated at cost less depreciation. Cost includes the original purchase price, together with the associated costs which are directly attributable to bring the asset into working use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to property: Over the life of the lease on cost  
Fixtures and fittings: 20% on cost  
Plant and machinery: Over 20 years on cost  
Computer equipment: 20% on cost  
Capital in progress: not depreciated until put into use

Provision is made for any impairment.

**Government grants for coronavirus job retention scheme**

Government grants are recognised in the other operating income on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

**Stocks**

Stock is valued at the lower of cost and net realisable value.

Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**Financial instruments**

In accordance with FRS 102 there is a choice of accounting standards entities can apply for the recognition and measurement of financial instruments. The Company is applying section 11 and 12 of FRS 102 in full, subject to the exemptions available noted on the previous page.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at the transaction price including transactions costs and are subsequently carried at amortised cost using 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 receivables within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies 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 effective interest rate method.

Trade creditors are obliged 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 amortised cost using the effective interest method.

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**3. ACCOUNTING POLICIES – continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease, unless the payments to the lessor are structured to increase in line with expected general inflation, in which case the lease payments are recognised in the periods they relate to inclusive of the impact of the increase in the retail prices index.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Share capital**

Ordinary shares are classified as equity.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future, which in 2020 include the ongoing Covid-19 pandemic. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Useful economic lives of property, plant and equipment**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 3 for the useful economic lives for each class of assets.

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS - continued****(ii) Impairment of receivables**

The Company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the current credit rating of the debtor, the ageing profile of receivables and historical experience. See note 14 for the net carrying amount of the receivables and associated impairment provision.

**(iii) Recognition of deferred tax assets**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Historical differences between forecast and actual taxable profits have not resulted in material adjustments to the recognition of deferred tax assets (note 9).

**(iv) Stock provisions**

There is uncertainty relating to the ability to recover the value of stock at the carrying cost due to age or other obsolescence. When assessing impairment of stocks, management considers factors including shelf-life and quality of the stock. See note 13 for the carrying amount stock net of any provisions.

**(v) Dilapidations provisions**

There is uncertainty in the amount of dilapidations costs that will be required to return leased property to an appropriate condition when the leases end. See note 19 for this estimate.

**(b) Critical judgements in applying the entity's accounting policies****(i) Impairment of intangible and tangible assets**

Management have based the calculations for these impairments based upon their professional judgement of all available information (see notes 11 and 12. See going concern section of the Report of the Directors for further detail).

**(ii) Dilapidation provision**

Judgement has been taken in relation to the costs that the company will have to pay out. See note 19 for the amount provided.

**5. TURNOVER**

The company has four streams of revenue as shown below. All sales by company originate in the UK:

|                 | 31/12/20                | 31/12/19                |
|-----------------|-------------------------|-------------------------|
|                 | £                       | £                       |
| Taproom sales   | 255,808                 | 76,794                  |
| Brewhouse sales | 82,212                  | 124,953                 |
| Event sales     | 54,420                  | 151,333                 |
| Brewery sales   | <u>628,201</u>          | <u>938,508</u>          |
| Total           | <u><u>1,020,641</u></u> | <u><u>1,291,588</u></u> |



**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****6. EMPLOYEES AND DIRECTORS**

|                       | 31/12/20       | 31/12/19       |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 463,567        | 394,611        |
| Social security costs | 43,799         | 36,274         |
| Other pension costs   | <u>10,506</u>  | <u>7,630</u>   |
|                       | <u>517,872</u> | <u>438,515</u> |

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

|                          | 31/12/20  | 31/12/19  |
|--------------------------|-----------|-----------|
| Production               | 2         | 2         |
| Selling and distribution | 17        | 13        |
| Administration           | <u>1</u>  | <u>1</u>  |
|                          | <u>20</u> | <u>16</u> |

|                         | 31/12/20 | 31/12/19 |
|-------------------------|----------|----------|
|                         | £        | £        |
| Directors' remuneration | <u>-</u> | <u>-</u> |

The emoluments of the directors are paid by another group undertaking which makes a recharge to the company. The directors are directors of a number of fellow group companies, and it is not possible to make an accurate apportionment for their emoluments in respect of each subsidiary.

**7. OPERATING LOSS**

The operating loss is stated after charging:

|                                     | 31/12/20  | 31/12/19       |
|-------------------------------------|-----------|----------------|
|                                     | £         | £              |
| Hire of plant and machinery         | 8,835     | 18,295         |
| Other operating leases              | 246,660   | 181,884        |
| Depreciation - owned assets         | 195,357   | 87,999         |
| Goodwill amortisation               | -         | 17,176         |
| Auditors' remuneration              | 26,500    | 18,000         |
| Foreign exchange differences        | 48,332    | 7,603          |
| Impairment of trade debtors         | 17,957    | 2,151          |
| Impairment of tangible fixed assets | 1,961,547 | -              |
| Impairment of goodwill              | <u>-</u>  | <u>134,541</u> |

Included in the auditors' remuneration is an additional fee of £1,500 (2019: £NIL) in relation to the 2019 audit. There were no non-audit fees during the year (2019: £NIL).

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****8. INTEREST PAYABLE AND SIMILAR EXPENSES**

|                            | 31/12/20       | 31/12/19       |
|----------------------------|----------------|----------------|
|                            | £              | £              |
| Intercompany loan interest | 166,817        | 136,544        |
| Other interest             | 120            | -              |
|                            | <u>166,937</u> | <u>136,544</u> |

**9. TAXATION****Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

|   | 31/12/20           | 31/12/19           |
|---|--------------------|--------------------|
|   | £                  | £                  |
| Loss before tax   | <u>(3,110,862)</u> | <u>(1,103,545)</u> |
| Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%) | (591,064)          | (209,674)          |
| Effects of:   |                    |                    |
| Expenses not deductible for tax purposes  | 109                | 243                |
| Depreciation in excess of capital allowances  | 34,103             | 17,069             |
| Impairment of tangible assets   | 372,694            | -                  |
| Impairment of goodwill  | -                  | 25,563             |
| Unused tax losses in year   | 152,535            | 143,610            |
| Intercompany loan interest deficit on non-trading loan relationships                  | <u>31,623</u>      | <u>23,189</u>      |
| Total tax charge  | <u>-</u>           | <u>-</u>           |

**Factors that affect future tax charges**

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. Had it been substantively enacted by the balance sheet date, this change would have had no impact on the amounts recognised.

Deferred taxes at the balance sheet date are measured at a corporation tax rate of 19% (2019: 17%).

Deferred tax assets in respect of accelerated depreciation and losses, and not recognised in the financial statements, amount to:

|                          | 31/12/20       | 31/12/19         |
|--------------------------|----------------|------------------|
|                          | £              | £                |
| Unused tax losses        | 440,861        | 288,327          |
| Accelerated depreciation | <u>12,850</u>  | <u>(249,622)</u> |
| Total                    | <u>453,711</u> | <u>38,705</u>    |

The amount would be recovered if the company makes sufficient taxable profits against which it could offset.

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****10. EXCEPTIONAL ADMINISTRATIVE EXPENSES**

|   | 31/12/20<br>£ | 31/12/19<br>£  |
|---|---------------|----------------|
| Exceptional items - impairment of tangible assets | 1,961,547     | -              |
| Exceptional items - write off of goodwill         | <u>-</u>      | <u>134,541</u> |

In the current year the directors took the decision to write off all of the remaining tangible assets as being impaired.

In the prior year the directors took the decision to write off the goodwill figure which was a legacy of the acquisition.

**11. INTANGIBLE ASSETS**

|                                 | Goodwill<br>£  |
|---------------------------------|----------------|
| <b>COST</b>                     |                |
| At 1 January 2020               |                |
| and 31 December 2020            | <u>171,755</u> |
| <b>ACCUMULATED AMORTISATION</b> |                |
| At 1 January 2020               |                |
| and 31 December 2020            | <u>171,755</u> |
| <b>NET BOOK VALUE</b>           |                |
| At 31 December 2020             | <u>-</u>       |
| At 31 December 2019             | <u>-</u>       |

Intangible assets have been reclassified to current assets as a result of the decisions discussed in the going concern section of the Report of the Directors.

**12. TANGIBLE ASSETS**

|  | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£      |
|--|-------------------------------------|-----------------------------|----------------------------------|----------------------------|------------------|
| <b>COST</b>                                |                                     |                             |                                  |                            |                  |
| At 1 January 2020                          | 648,250                             | 1,357,387                   | 192,375                          | 41,595                     | 2,239,607        |
| Additions                                  | 12,909                              | 428                         | -                                | 165                        | 13,502           |
| Reclassification                           | <u>-</u>                            | <u>143</u>                  | <u>(143)</u>                     | <u>-</u>                   | <u>-</u>         |
| At 31 December 2020                        | <u>661,159</u>                      | <u>1,357,958</u>            | <u>192,232</u>                   | <u>41,760</u>              | <u>2,253,109</u> |
| <b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b> |                                     |                             |                                  |                            |                  |
| At 1 January 2020                          | 43,064                              | 36,378                      | 13,161                           | 3,602                      | 96,205           |
| Charge for year                            | 87,026                              | 76,605                      | 24,494                           | 7,232                      | 195,357          |
| Impairment                                 | <u>531,069</u>                      | <u>1,244,975</u>            | <u>154,577</u>                   | <u>30,926</u>              | <u>1,961,547</u> |
| At 31 December 2020                        | <u>661,159</u>                      | <u>1,357,958</u>            | <u>192,232</u>                   | <u>41,760</u>              | <u>2,253,109</u> |
| <b>NET BOOK VALUE</b>                      |                                     |                             |                                  |                            |                  |
| At 31 December 2020                        | <u>-</u>                            | <u>-</u>                    | <u>-</u>                         | <u>-</u>                   | <u>-</u>         |
| At 31 December 2019                        | <u>605,186</u>                      | <u>1,321,009</u>            | <u>179,214</u>                   | <u>37,993</u>              | <u>2,143,402</u> |

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****12. TANGIBLE ASSETS - continued**

Tangible assets have been impaired as the Directors have determined have no ability to be cash generating.

Tangible assets have been reclassified to current assets as a result of the decisions discussed in the going concern section of the Report of the Directors.

**13. STOCKS**

|        | 31/12/20      | 31/12/19      |
|--------|---------------|---------------|
|        | £             | £             |
| Stocks | <u>85,233</u> | <u>54,548</u> |

Stocks are analysed as follows:

|                                     | 31/12/20      | 31/12/19      |
|-------------------------------------|---------------|---------------|
|                                     | £             | £             |
| Raw materials                       | 36,602        | 34,625        |
| Work in progress                    | 32,010        | 2,659         |
| Finished goods and goods for resale | <u>16,621</u> | <u>17,264</u> |
| Total stocks (net of provisions)    | <u>85,233</u> | <u>54,548</u> |

Stocks are stated after provision for impairment of £11,197 (2019: £nil).

**14. DEBTORS**

|                                    | 31/12/20       | 31/12/19       |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Trade debtors                      | 31,980         | 22,794         |
| Amounts owed by group undertakings | 37,777         | 149,799        |
| Other debtors                      | 59,238         | 63,532         |
| VAT                                | -              | 20,321         |
| Prepayments and accrued income     | <u>42,302</u>  | <u>89,578</u>  |
|                                    | <u>171,297</u> | <u>346,024</u> |

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

Trade debtors are stated after provisions for impairment of £17,957 (2019: £2,151).

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | 31/12/20         | 31/12/19       |
|---|------------------|----------------|
|   | £                | £              |
| Bank loans and overdrafts (see note 17) | 1,804            | 2,113          |
| Trade creditors                         | 46,242           | 172,948        |
| Amounts owed to group undertakings      | 3,955,232        | 666,808        |
| Taxation and social security            | 23,819           | 11,539         |
| Other creditors                         | 48,906           | 34,157         |
| Accruals and deferred income            | <u>17,959</u>    | <u>61,141</u>  |
|   | <u>4,093,962</u> | <u>948,706</u> |

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Bank loans and overdrafts are unsecured.

Amounts owed to group undertakings includes an intercompany loan of £3,500,000 which is unsecured and interest free. At 31 December 2019, amounts owed to group undertakings included an intercompany loan of £394,713). This loan was unsecured and interest was charged at the rate of 2% plus STIBOR and was repaid in full during the year. Other amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Amounts owed to group undertakings include an amount totalling £200,000 which was reclassified from creditors: amounts falling due after more than one year as a result of the decision noted in the going concern section of the Report of the Directors.

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                                    | 31/12/20 | 31/12/19         |
|------------------------------------|----------|------------------|
|                                    | £        | £                |
| Amounts owed to group undertakings | <u>-</u> | <u>2,779,609</u> |

At 31 December 2019, amounts owed to group undertakings included an intercompany loan of £2,000,000. This loan was unsecured and interest was charged at the rate of 6.1% and was due for repayment by 30 April 2021. This loan was repaid in full during the year.

At 31 December 2019, amounts owed to group undertakings included an intercompany loan of £779,609. This loan was unsecured and interest was charged at the rate of 3.5% and was due for repayment by 28 January 2023. This loan was repaid in full during the year.

There are no intercompany loans which expire in more than one year as at 31 December 2020.

**17. LOANS**

An analysis of the maturity of loans is given below:

|   | 31/12/20     | 31/12/19     |
|---|--------------|--------------|
|   | £            | £            |
| Amounts falling due within one year or on demand: |              |              |
| Bank loans and overdrafts                         | <u>1,804</u> | <u>2,113</u> |

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 31/12/20       | 31/12/19         |
|----------------------------|----------------|------------------|
|                            | £              | £                |
| Within one year            | 190,997        | 185,899          |
| Between one and five years | 456,620        | 467,022          |
| In more than five years    | <u>234,954</u> | <u>352,431</u>   |
|                            | <u>882,571</u> | <u>1,005,352</u> |

**London Fields Brewery Opco Limited (Registered number: 10842272)****Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020****19. PROVISIONS FOR LIABILITIES**

|                     | <b>Other provisions<br/>£</b> |
|---------------------|-------------------------------|
| Charge for the year | <u>23,164</u>                 |
| At 31 December 2020 | <u><u>23,164</u></u>          |

Other provisions are represented by dilapidations in respect of the Arches, Helmsley Place. It is expected that this will be utilised within 24 months of the balance sheet date.

**20. CALLED UP SHARE CAPITAL****Allotted, issued and fully paid:**

| <b>Number:</b> | <b>Class:</b> | <b>Nominal<br/>value:<br/>£1</b> | <b>31/12/20<br/>£</b> | <b>31/12/19<br/>£</b> |
|----------------|---------------|----------------------------------|-----------------------|-----------------------|
| 2              | Ordinary      | £1                               | <u>2</u>              | <u>2</u>              |

**21. RESERVES**

|                     | <b>Accumulated<br/>losses<br/>£</b> | <b>Share<br/>premium<br/>account<br/>£</b> | <b>Totals<br/>£</b> |
|---------------------|-------------------------------------|--|---------------------|
| At 1 January 2020   | (1,886,199)                         | 1,199,999                                  | (686,200)           |
| Loss for the year   | (3,110,862)                         | -  | (3,110,862)         |
|                     | <u>          </u>                   | <u>          </u>                          | <u>          </u>   |
| At 31 December 2020 | <u>(4,997,061)</u>                  | <u>1,199,999</u>                           | <u>(3,797,062)</u>  |

**22. ULTIMATE PARENT COMPANY**

During the year, the immediate parent company changed from Acrospires GmbH (incorporated in Switzerland) to Feldschlosschen Getränke Holding AG (incorporated in Switzerland) and then to Carlsberg Marston's Brewing Company Limited.

Carlsberg A/S (incorporated in Denmark) is regarded by the directors as being the company's ultimate parent company.

The smallest group in which the results of the Company are consolidated is that headed by Carlsberg Breweries A/S, incorporated in Denmark. The largest group in which the results of the Company are consolidated is that headed by Carlsberg A/S, incorporated in Denmark. The consolidated financial statements of these groups are available to the public and may be obtained from The Information Centre, Carlsberg A/S, J. C. Jacobsens Grade 1, DK-1799 Copenhagen V, Denmark.

**London Fields Brewery Opco Limited (Registered number: 10842272)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**23. RELATED PARTY DISCLOSURES**

During the year 2020 the company purchased £3,901 (2019: £nil) of services from Monster The Cat GMBH, with no outstanding balance in AP at the end of 2020 (2019: £nil).

During the year 2020, the company purchased of services from Acrospires GMBH £35,527 (2019: £184,792). At the year end the balance was paid in full (2019: £23,637).

During the year, the company paid in full The Acrospires GMBH intercompany loan, the total balance of £811,158 (2019: £818,814). The interest related to this loan amounting to £23,515 (2019: £20,496) was settled during the year.

During the year the company paid in full the intercompany loan from Nya Carnegiebryggeriet, the total balance of £394,613 (2019: £394,613). The interest related to this loan amounting to £14,998 was settled during the year.

During the year the company sold £444 (2019: £nil) of services to Acrospires GMBH and the amount was received during the year. The balance the end of 2020 was £nil (2019: £nil).

During the year we sold £2,748 (2019: £nil) of goods to EC Dahls Bryggeri. At the year end the amount was received in full.

During the year, the company received a intercompany loan from Carlsberg Marston's Brewing Company Limited worth £3,500,000 (2019: £nil). At the end of the year the balance is showing the same amount.

At 31 December 2019, a loan was held with Carlsberg Breweries A/S of £2,000,000. During the year, the company borrowed an additional £1,500,000 from Carlsberg Breweries A/S. Interest in the year relating to this loan and the loan outstanding from the previous year amounted to £129,794 (2019: £112,713). Both this and the loans were settled during the year.

The company is exempt of disclosing other related party transactions as they are with others companies that are wholly owned within the Carlsberg Marston's Brewing Company Limited Group.

**24. POST BALANCE SHEET EVENTS**

**Arches**

As a result of the pandemic the Company took the decision to exit the events business in the Arches. With the venue having been closed since the initial lockdown in 2020, the Directors have determined that this is no longer a sustainable revenue stream.

On 6<sup>th</sup> December 2021 the Directors took the decision to cease trading which is expected to happen during 2022.

**25. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Carlsberg A/S, a company incorporated in Denmark.