

Registered number: 10935753

AT Brady Bidco Limited

Annual Report and Financial Statements

For the Period Ended 29 May 2022



AT Brady Bidco Limited

Company Information

Directors	A Clifford N Gray C Jowsey T Bhattacharjee (appointed 7 June 2022) P Westermann
Company secretary	A G Secretarial Limited
Registered number	10935753
Registered office	Milton Gate 60 Chiswell Street London EC1Y 4AG
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Solicitors	Addleshaw Goddard Milton Gate 60 Chiswell Street London EC1Y 4AG

AT Brady Bidco Limited

Contents

	Page
Strategic Report	1
Directors' Report	2 - 4
Independent Auditor's Report	5 - 8
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 23

AT Brady Bidco Limited

Strategic Report For the Period Ended 29 May 2022

Business review

The Company is part of the Admiral Group and a comprehensive trading review for the Group is included in the consolidated accounts of AT Brady Holdings Limited.

The Company's income comprises a management recharge to fellow group companies and interest income receivable on amounts owed by group undertakings. The Company's costs primarily represent interest payable on amounts owed to group undertakings and the amortisation of finance costs.

Financial key performance indicators

A comprehensive review of the state of affairs of the Group into which the Company is consolidated, including key performance indicators and key risks and uncertainties is contained in the report and financial statements of AT Brady Holdings Limited.

This report was approved by the board on 10 May 2023 and signed on its behalf.



N Gray
Director

AT Brady Bidco Limited

Directors' Report For the Period Ended 29 May 2022

The directors present their report and the financial statements for the period ended 29 May 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activities of the Company are to act as a financing and holding company.

Results and dividends

The loss for the period, after taxation, amounted to £17,004,000 (2021 - loss 5,553,000).

No dividends were paid in the period (2021 - £nil).

Directors

The directors who served during the period were:

A Clifford
J Clingan (resigned 7 June 2022)
N Gray
C Jowsey
J Kowszun (resigned 30 August 2022)
A Pozzi (resigned 30 August 2022)
P Westermann

AT Brady Bidco Limited

Directors' Report (continued) For the Period Ended 29 May 2022

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

The Company is a member of the Admiral Taverns group of companies (the Group). A full list of the Group can be found in the accounts of AT Brady Holdings Limited as referred to in note 21. The Company has a cross guarantee arrangement in relation to the Group's financing and therefore the Group position is relevant.

In assessing Going Concern the Directors have considered the limiting factors that may prevent them from supporting a going concern assumption for the Group. These are:

- insufficient cash resources to pay creditors as and when they become due; and
- an inability to meet certain financial covenants (the Leverage Test) in the Group's amended loan facilities agreement with ICG, which could lead to an event of default which would trigger a demand for repayment of the Facility.

Cash Resources

As of 28 April 2023, the Group had £45.8m of free cash. The pub estates continue to trade well meeting management's expectations and generating cash. Pub disposals remain on track and Management have yet to see any impact on pub values as a result of the UK's Financial Crisis. The Group has hedged its own utility costs and over half its interest rate exposure under its debt facilities. The robust cash position is also supported by the large freehold asset base.

Leverage Test

The Leverage Test (a quarterly covenant test of the ratio of net debt to EBITDA over the preceding 12-month period) was reset in August 2021 as part of the extension of the existing facilities to fund the Hawthorn Acquisition. This included raised levels of covenant headroom and the addition of certain Pandemic Protection clauses, suspending the leverage test in the event of further large scale, Government mandated closures of pubs and replacing it with a minimum liquidity requirement or maintaining at least £5m of liquid cash resources during the impacted period.

Conclusion

The Directors have concluded that sufficient resources exist for the Group to meet its liabilities as they fall due for the twelve months from the date of approval of the accounts. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Post balance sheet events

On 30 August 2022 C&C Group Plc sold its holding in Brady P&C Limited, the Group's parent, to Proprium capital partners.

As noted in the directors' section above, 3 directors resigned after the year end.

On 10th June the Group successfully implemented its new ERP system combining the operations of the Hawthorn and Admiral Pub Estates.

AT Brady Bidco Limited

**Directors' Report (continued)
For the Period Ended 29 May 2022**

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 10 May 2023 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'N. Gray', with a long horizontal stroke extending to the right.

N Gray
Director

Independent Auditor's Report to the Members of AT Brady Bidco Limited

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 29 May 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of AT Brady Bidco Limited (the 'Company') for the period ended 29 May 2022, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of AT Brady Bidco Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of AT Brady Bidco Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and the directors, including obtaining and reviewing supporting documentation concerning the Company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established by the Company to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified elevated risk areas for potential fraud in the following areas:
 - Management override of controls
- obtaining an understanding of the legal and regulatory frameworks that the Company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Company. The key laws and regulations we considered in this context included the UK Companies Act, UK Generally Accepted Accounting Principles, and relevant tax and employment legislation.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations noted above;
- enquiring of management, the directors and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; testing and challenging the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company; and
- addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent Auditor's Report to the Members of AT Brady Bidco Limited (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark RA Edwards (Senior Statutory Auditor)

DocuSigned by:

Mark RA Edwards

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for and on behalf of

BDO LLP (Statutory Auditor)

55 Baker Street
London
W1U 7EU

14 May 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AT Brady Bidco Limited

**Profit and Loss Account
For the Period Ended 29 May 2022**

		Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
	Note		
Turnover	4	200	100
		<u>200</u>	<u>100</u>
Gross profit			
Administrative expenses		(2)	(3)
		<u>198</u>	<u>97</u>
Operating profit			
Income from shares in group undertakings		344	-
Interest receivable and similar income	8	11,661	12,251
Interest payable and similar expenses	9	(29,207)	(17,901)
		<u>(17,004)</u>	<u>(5,553)</u>
Loss before tax			
Tax on loss	10	-	-
		<u>(17,004)</u>	<u>(5,553)</u>
Loss for the financial period			
		<u>(17,004)</u>	<u>(5,553)</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account.

The notes on pages 12 to 23 form part of these financial statements.

AT Brady Bidco Limited
Registered number: 10935753

Balance Sheet
As at 29 May 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	11	365,270	140,361
		<u>365,270</u>	<u>140,361</u>
Current assets			
Debtors: amounts falling due within one year	12	192,904	202,924
Cash at bank and in hand	13	2,405	1,260
		<u>195,309</u>	<u>204,184</u>
Creditors: amounts falling due within one year	14	(53,656)	(34,742)
Net current assets		<u>141,653</u>	<u>169,442</u>
Total assets less current liabilities		<u>506,923</u>	<u>309,803</u>
Creditors: amounts falling due after more than one year	15	(387,835)	(207,711)
Net assets		<u><u>119,088</u></u>	<u><u>102,092</u></u>
Capital and reserves			
Called up share capital		11	8
Share premium account		114,245	80,248
Revaluation reserve		67,802	67,802
Profit and loss account		(62,970)	(45,966)
		<u>119,088</u>	<u>102,092</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 May 2023.



N Gray
Director

The notes on pages 12 to 23 form part of these financial statements.

AT Brady Bidco Limited

**Statement of Changes in Equity
For the Period Ended 29 May 2022**

	Called up share capital £000	Share premium account £000	Revaluation reserve £000	Profit and loss account £000	Total equity £000
At 30 May 2020	8	80,248	67,802	(40,413)	107,645
Comprehensive loss for the period					
Loss for the period	-	-	-	(5,553)	(5,553)
At 29 May 2021	8	80,248	67,802	(45,966)	102,092
Comprehensive loss for the period					
Loss for the period	-	-	-	(17,004)	(17,004)
Other comprehensive loss for the period	-	-	-	(17,004)	(17,004)
Contributions by and distributions to owners					
Shares issued during the period	3	33,997	-	-	34,000
At 29 May 2022	11	114,245	67,802	(62,970)	119,088

The notes on pages 12 to 23 form part of these financial statements.

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

1. General information

AT Brady Bidco Limited is a limited liability company incorporated in England. The Registered Office is Milton Gate, 60 Chiswell Street, London, EC1Y 4AG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

2.2 Going concern

The Company is a member of the Admiral Taverns group of companies (the Group). A full list of the Group can be found in the consolidated accounts of AT Brady Holdings Limited as referred to in note 21. The Company has a cross guarantee arrangement in relation to the Group's financing and therefore the Group position is relevant.

In assessing Going Concern the Directors have considered the limiting factors that may prevent them from supporting a going concern assumption for the Group. These are:

- insufficient cash resources to pay creditors as and when they become due; and
- an inability to meet certain financial covenants (the Leverage Test) in the Group's amended loan facilities agreement with ICG, which could lead to an event of default which could trigger a demand for repayment of the Facility.

Cash Resources

As of 28 April 2023, the Group had £45.8m of free cash. The pub estates continue to trade well meeting management's expectations and generating cash. Pub disposals remain on track and Management have yet to see any impact on pub values as a result of the UK's Financial Crisis. The Group has hedged its own utility costs and over half its interest rate exposure under its debt facilities. The robust cash position is also supported by the large freehold asset base.

Leverage Test

The Leverage Test (a quarterly covenant test of the ratio of net debt to EBITDA over the preceding 12-month period) was reset in August 2021 as part of the extension of the existing facilities to fund the Hawthorn Acquisition. This included raised levels of covenant headroom and the addition of certain Pandemic Protection clauses, suspending the leverage test in the event of further large scale, Government mandated closures of pubs and replacing it with a minimum liquidity requirement or maintaining at least £5m of liquid cash resources during the impacted period.

**Notes to the Financial Statements
For the Period Ended 29 May 2022**

2. Accounting policies (continued)

2.2 Going concern (continued)

Conclusion

The Directors have concluded that sufficient resources exist for the Group to meet its liabilities as they fall due for the twelve months from the date of approval of the accounts. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

2.3 Cash flow

The Company, being a qualifying entity which has been included in the Group's consolidated financial statements that are publicly available, is exempt from the requirement to draw up a cash flow statement under FRS102.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**Notes to the Financial Statements
For the Period Ended 29 May 2022**

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Valuation of investments

Investments in subsidiaries are initially recorded at cost, including directly attributable costs, plus the directors' assessment of the fair value of any deferred consideration. Subsequently, deferred consideration is revised to reflect actual amounts payable.

Investments in subsidiaries are reviewed for impairment in the event that there are any indicators of impairment.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the Financial Statements
For the Period Ended 29 May 2022**

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Financial instruments

The Company used an interest rate cap to adjust interest rate exposures. The cap was initially recognised at fair value on the date a derivative contract was entered into and was subsequently revalued to fair value and shown on the balance sheet at the year end with movements in fair value reflected through the profit and loss account. The interest rate cap expired in December 2020 and has not been renewed.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and key sources of estimation uncertainty in the financial statements:

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Derivative instruments

The group used interest rate cap to adjust interest rate exposures.

Derivative financial instruments were measured at fair value. The fair value of interest rate cap contracts was determined by appropriately qualified external valuer. The interest rate cap expired in December 2020.

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

4. Turnover

An analysis of turnover by class of business is as follows:

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Management fee income	200	100
	<u>200</u>	<u>100</u>

All turnover arose within the United Kingdom.

5. Auditor's remuneration

During the period, the Company obtained the following services from the Company's auditor:

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Fees payable to the Company's auditor for the audit of the Company's financial statements	5	5

The total audit fee for the Admiral Taverns group of companies of £449,000 (2021 - £177,000) has been charged to and paid by Admiral Taverns (Chester) Limited and Hawthorn Leisure Management Limited, fellow group companies.

6. Employees

All staff are employed and remunerated by Admiral Taverns (Chester) Limited or Hawthorn Leisure Management Limited, fellow group companies.

7. Directors' remuneration

The directors were paid in respect of their services to the group as a whole by a fellow group company, Admiral Taverns (Chester) Limited, £1,142,000 (2021 - £657,000).

AT Brady Bidco Limited

**Notes to the Financial Statements
For the Period Ended 29 May 2022**

8. Interest receivable and similar income

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Interest receivable from group companies	11,661	12,251
	<u>11,661</u>	<u>12,251</u>

9. Interest payable and similar expenses

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Bank interest payable	24,566	13,896
Amortisation of finance costs	1,657	1,590
Interest payable to group undertakings	2,984	2,415
	<u>29,207</u>	<u>17,901</u>

10. Taxation

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Taxation on loss on ordinary activities	-	-

**Notes to the Financial Statements
For the Period Ended 29 May 2022**

10. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	Period ended 29 May 2022 £000	Period ended 29 May 2021 £000
Loss on ordinary activities before tax	(17,004)	(5,553)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(3,231)	(1,055)
Effects of:		
Group relief	3,231	1,055
Total tax charge for the period	-	-

Factors that may affect future tax charges

The standard rate of Corporation Tax in the UK has not changed since 1 April 2017 and is currently 19%. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 19%. The increase of the main rate of corporation tax from 19% to 25% from 1 April 2023 was announced in the Finance Bill 2021, which was substantively enacted on 24 May 2021.

Any future profits will be taxed at the appropriate rate.

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

11. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 30 May 2021	140,361
Additions	224,909
	<hr/>
At 29 May 2022	365,270
	<hr/>

The Company has fully impaired its investments in subsidiary undertakings in prior periods.

Details of the investments in which the Company (unless indicated) holds 20% or more of the nominal value of any class of share are as follows:

Name	Class of share	Note	Principal activity
Admiral Taverns (Chester) Limited*	Ordinary	1	Management company
Admiral Taverns (Relax) Limited*	Ordinary	1	Pub company
Admiral Taverns (Portfolio No 2) Limited*	Ordinary	1	Pub company
Admiral Taverns Limited*	Ordinary	1	Pub company
Admiral Taverns (Harmony) Limited*	Ordinary	1	Pub company
Admiral Taverns (780) Limited*	Ordinary	1	Pub company
Admiral Taverns (Max) Limited*	Ordinary	1	Holding company
Admiral Taverns Nevada Properties Limited*	Ordinary	1	Pub company
Admiral Taverns Piccadilly Limited*	Ordinary	1	Pub company
Pub Partnership Acquisitions Limited*	Ordinary	1	Pub company
Hawthorn Leisure Management Limited*	Ordinary	2	Management company
Hawthorn Leisure (Mantle) Limited*	Ordinary	1	Pub company
Hawthorn Leisure Public Houses Limited*	Ordinary	1	Pub company
Hawthorn Leisure Community Pubs Limited*	Ordinary	1	Pub company
Bravo Inns Limited*	Ordinary	2	Pub company
Bravo Inns II Limited*	Ordinary	2	Pub company
Hawthorn Leisure Limited*	Ordinary	2	Pub company
Hawthorn Leisure Acquisitions Limited*	Ordinary	2	Pub company
Hawthorn Leisure Honey Limited*	Ordinary	2	Pub company
Hawthorn Leisure Holdings No 4 Limited*	Ordinary	3	Holding company
Hawthorn Leisure Holdings No 7 Limited*	Ordinary	4	Holding company
Hawthorn Leisure Property Unit Trust No 4*	Ordinary	5	Trust
Hawthorn Leisure Scotco Limited*	Ordinary	2	Dormant
Hawthorn Leisure Holdings Limited*	Ordinary	2	Holding company
Hawthorn Leisure Topco Limited	Ordinary	1	Holding company
Admiral Taverns Bidco Limited	Ordinary	1	Holding company

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

11. Fixed asset investments (continued)

* Indirectly held investment

1. The entities are unlisted, 100% holdings and incorporated in the United Kingdom with registered addresses of Milton Gate, 60 Chiswell Street, London, EC1Y 4AG.

2. The above entities are unlisted, 100% holdings and incorporated in the United Kingdom with registered addresses of One St Peter's Square, Manchester, M2 3DE.

3. The above entities are unlisted, 100% holdings and incorporated in the Guernsey with registered addresses of PO Box 142, Suite 2, Block C, Hirzel Court, Guernsey, GY1 3HT.

4. The above entities are unlisted, 100% holdings and incorporated in the Guernsey with registered addresses of De Catapan House, Grange Road, St Peter Port, Guernsey, GY1 2QG.

5. The Group has 100% holding of Units of the Trust and it has a registered address of IFC 5, St Helier, Jersey, JE1 1ST.

12. Debtors

	2022 £000	2021 £000
Amounts owed by group undertakings	190,948	202,909
Prepayments and accrued income	1,956	15
	<u>192,904</u>	<u>202,924</u>

13. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	2,405	1,260
	<u>2,405</u>	<u>1,260</u>

14. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	46,973	31,513
Other taxation and social security	26	1
Accruals and deferred income	6,657	3,228
	<u>53,656</u>	<u>34,742</u>

AT Brady Bidco Limited**Notes to the Financial Statements
For the Period Ended 29 May 2022****15. Creditors: Amounts falling due after more than one year**

	2022 £000	2021 £000
Bank loans	387,835	207,711
	<u>387,835</u>	<u>207,711</u>

The third-party debt from Intermediate Capital Group plc ("ICG") has a term of seven years, and the rate of interest is 3 month libor plus an agreed margin.

16. Loans

Analysis of the maturity of loans is given below:

	2022 £000	2021 £000
Amounts falling due 2-5 years		
Bank loans	387,835	207,711
	<u>387,835</u>	<u>207,711</u>

Bank loans are made up of the following:

	2022 £000	2021 £000
Bank loans	398,273	213,235
Finance costs	(15,867)	(9,297)
Amortisation of finance costs	5,429	3,773
	<u>387,835</u>	<u>207,711</u>

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

17. Financial instruments

	2022 £000	2021 £000
Financial assets		
Cash at bank and in hand	2,405	1,260
Financial assets that are debt instruments measured at amortised cost	190,948	202,909
	<u>193,353</u>	<u>204,169</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(441,465)</u>	<u>(247,977)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, intercompany debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, intercompany creditors, bank loans and accruals.

18. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
111,195,570 (2021 - 80,255,941) A1 Ordinary shares shares of £0.0001 each	11	8
	<u>11</u>	<u>8</u>

The Ordinary shares confer on a show of hands, one vote per shareholder. On a poll vote, one vote per share. Right to participate pari passu in relation to any dividends. Right to participate pari passu in relation to any distributions of capital. The ordinary shares are not redeemable.

19. Related party transactions

The Company has taken advantage of the exemption available not to disclose transactions with other wholly owned members of the AT Brady Holdings Limited group.

There are no other related party transactions requiring disclosure in the financial statements.

AT Brady Bidco Limited

Notes to the Financial Statements For the Period Ended 29 May 2022

20. Post balance sheet events

On 30 August 2022 C&C Group Plc sold its holding in Brady P&C Limited, the Group's parent, to Proprium capital partners.

As noted in the directors' report, 3 directors resigned after the year end.

On 10h June the Group successfully implemented its new ERP system combining the operations of the Hawthorn and Admiral Pub Estates.

21. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is AT Brady Holdings Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent undertaking and controlling party is PSSF Brady (Cayman) Limited, an entity incorporated in the Cayman Islands.

The group financial statements of the AT Brady Holdings Limited group incorporated in the United Kingdom, being the smallest consolidated financial statements including the results of the Company, will be available to the public and may be obtained from the registered office of AT Brady Holdings Limited at Milton Gate, 60 Chiswell Street, London EC1Y 4AG.