

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements
for the Period 3 October 2021 to 1 October 2022
for
Three Thistles plc

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for the Period 3 October 2021 to 1 October 2022

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Three Thistles plc

Company Information
for the Period 3 October 2021 to 1 October 2022

DIRECTORS:

D J S C Low
D C McIntyre

SECRETARY:

Davidson Chalmers Stewart (Secretarial Services) Limited

REGISTERED OFFICE:

163 Bath Street
Glasgow
G2 4SQ

REGISTERED NUMBER:

SC306747 (Scotland)

AUDITORS:

McLay McAlister & McGibbon LLP
Chartered Accountants and Statutory Auditors
145 St Vincent Street
Glasgow
G2 5JF

SOLICITORS:

Davidson Chalmers Stewart LLP
163 Bath Street
Glasgow
G2 4SQ

Chairman's Report
for the Period 3 October 2021 to 1 October 2022

Last year's report and accounts were approved by the directors on 31 January 2022 less than a month before the Russian invasion of Ukraine. The economic landscape at the time was presented as challenging and has remained so throughout the reporting period. Regrettably, the emergence of the war in Ukraine five months into the financial year has only served to exacerbate the problems already facing the hospitality sector. The most obvious effects relate to a fracturing of the supply chain for goods and services resulting in a huge rise in commodity prices, consumer price inflation, wage demands and interest rates, all of which are having an adverse effect on the group's key performance indicators of turnover, gross margin and net asset value.

Last year we stated that our primary focus was on reducing costs where possible and maintaining solvency. Whilst the former has not been possible for the reasons referred to in the previous paragraph, the new share placing at the beginning of the financial year has ensured our ongoing solvency and compliance with our borrowing obligations. The group's estate was last valued in 2019 prior to the emergence of Covid-19 and the war in Ukraine and our FRS 102 and bank obligations required an independent year end valuation of our heritable assets which has resulted in a diminution of £1 million to our carrying value.

We are now five months into the current financial year and the immediate trading outlook remains poor. Consumer price inflation and interest rates are forecast to remain at high levels as are domestic utility costs given the conclusion of the UK Government's Energy Bill Support Scheme next month. These actualities reduce the discretionary spend available to our customer base and by extension adversely affect our bottom line. It is also now apparent that businesses with weak balance sheets are under extreme pressure and an increase in insolvencies in the sector is anticipated. This month has already witnessed the appointment of liquidators at Kained Holdings, a well known operator of bars and restaurants in Glasgow and Edinburgh.

It is also very pertinent to our trading outlook that the Scottish Government is introducing the Deposit Return Scheme ("DRS") in August. This is a law passed by the Scottish Parliament in 2020 and requires customers to pay a 20 pence deposit when purchasing a drink in a single use container. Justification for the scheme is to improve the quantity of recycling, reduce litter and to help to achieve Scotland's climate change targets. However, the timing of the introduction has been met with stern criticism from the drinks trade as implementation details remain vague and it also introduces a new layer of administration, costs and responsibilities on the sector at a time when it can least afford it. More information on the DRS can be found on The Scottish Licenced Trade Association ("SLTA") website page below.

<https://www.theslta.co.uk/deposit-return-scheme/>.

In November last year the Scottish Government also published a public consultation document on potential alcohol advertising and promotion restrictions in Scotland. It is agreed by all parties operating in the sector that implementation of the restrictions being considered would have a devastating effect on businesses and employment in the sector. The link to the SLTA website is listed below where you will find the SLTA's concerns as well as links to the consultation paper.

<https://www.theslta.co.uk/news/act-now-proposed-alcohol-advertising-restrictions-and-their-potentially-devastating-imp-act-on-scotlands-pubs-and-bars/>.

The SLTA was founded in 1880 and is the only national organisation which represents all sectors of the Scottish licensed trade industry.

Clearly, there are few if any positives to be found in the Scottish hospitality sector at the present time with little prospect of that changing any time soon. We expect insolvencies to increase and values to fall. Whilst our immediate financial position is secure, largely due to the share placing in October 2021, we do expect our core KPI of net asset value to erode over the next twelve months.

Last year's AGM confirmed there was insufficient shareholder appetite for further share placings. It was also evident most shareholders want a more visible and direct exit option than that provided by the Asset Match platform. Recognising the economic landscape we find ourselves in, the directors in conjunction with our advisors will be prioritising an exit strategy for all shareholders as we believe this is the best way of protecting existing shareholder value.

David Low
Chairman
28 February 2023

The directors present their strategic report of the company and the group for the period 3 October 2021 to 1 October 2022.

REVIEW OF BUSINESS

The Directors believe that the group's key performance indicators are turnover, gross margin and the net asset value of the estate.

Year on year comparisons within the UK hospitality and leisure sectors are difficult to assess given the turbulence over the last three years due to the Covid-19 pandemic, Brexit, the subsequent impact of the war in Ukraine and inflationary pressure given the global economic climate. Not only does this impact on the cost base, but crucially on disposable incomes of our customers, with uncertainty remaining.

While the units were able to trade for the full year as compared to only five months in the preceding year, economic pressures remained. Against this backdrop, overall group turnover for the period to 1 October 2022 increased by 134.8% to £4,084,069 (2021: £1,739,045), with the resulting gross profit/loss increasing by £1,062,371 to a profit of £756,390.

Operating profit before exceptional items amounted to £212,950 compared to £102,780 achieved in the pre pandemic period to 28 September 2019, although the current year partially benefits from rates relief and Government grants.

To reflect the market conditions and to comply with Financial Reporting Standard 102 ("FRS 102") in disclosing assets at their fair value, a net fixed asset impairment of £1,036,901 has been incorporated in the Statement of Comprehensive Income for the period to 1 October 2022. The group loss before tax increased by £935,157 to £974,229 (2021: £39,072).

On 27 October 2021, 7,500,000 additional shares were allotted at 10p per share, increasing the share capital to 45,000,000 shares of 10p per share and raising £750,000.

Net assets decreased in the year to £4,717,251 (2021: £4,858,515), equating to 10.5 pence per share (2021: 13 pence per share). As at 1 October 2022 the group had net debt of £377,718 (2021: £1,326,853).

PRINCIPAL RISKS AND UNCERTAINTIES

The following risks and associated mitigation processes represent the key risks and uncertainties which affect the group and how the directors address these. They are not intended to be an exhaustive analysis of all the risks facing the business.

1. COVID-19

Risks:

The last three years has exposed the majority of businesses to the economic impact of a global pandemic. While the threat of a pandemic has dissipated, there remains the possibility that other variants could materialise and restrictions reintroduced.

Mitigating processes:

While mitigating actions will depend on the nature and extent of any pandemic, the portfolio remains resilient given its focus on community led pubs out-with city centres, with recognised food offerings in spacious environments including beer gardens. Government guidelines will also be adhered to at the individual units dependent on advice and restrictions imposed.

2. Economic risks

Risks:

The group's business operations are sensitive to economic conditions and, in particular, to inflationary pressures on pricing and implications to the levels of disposable income and consumer spending. Confidence in the economy could affect consumer expenditure and therefore our revenue. There is an ongoing risk to our business of increases in the cost of key products, including food, drink, Sky broadcasting service and utilities. Property values are also impacted by the economic uncertainty.

Mitigation processes:

The board and the manager regularly review the impact of the economic conditions on the group's budget and strategic plans, to ensure that we maintain our competitive position in the market. By prioritising excellent quality, service, value for money and up-to-date product offerings, we aim to broaden our appeal to customers. We try to foster mutually beneficial and long-term relationships with our suppliers whilst at the same time driving down costs in all areas. We have successfully negotiated various contracts, and will continue to do so, to mitigate significant increases in costs where possible and employ a number of other techniques to protect us from price volatility.

We continue to regularly assess the long term value of each of our sites and make decisions on a site by site basis around further improvements, operational focus for poorer performing sites and appropriate impairments where necessary. We have tried to diversify the business in respect of customer groups and geographical location in order to minimise the impact of economic fluctuations.

3. Regulatory risks

Risks:

The last few years have seen an increased governmental focus on alcohol consumption, in regard to both its impact on the health of drinkers and law and order issues. There is a risk of further legislation in these areas, including additional taxation and the Deposit Return Scheme, which may adversely impact our business.

A failure to comply with health and safety legislation, including in relation to food safety or fire safety, could lead to an incident which causes serious illness, injury or even loss of life to one of our customers, employees or other stakeholders, in turn leading to a significant impact on our reputation.

Mitigation processes:

Our strategy continues to address the need to diversify our business, with increasing emphasis on food within our pubs. We are committed to acting as a responsible retailer, recognising our belief that the safest and most responsible place to consume alcohol is in well-managed licensed on-trade premises.

We have a range of policies and procedures in place, including training, improved reporting and regular monitoring, to ensure compliance with existing regulatory requirements. This includes processes and procedures in relation to health and safety, fire safety and food safety. We work closely with licensing authorities across the country to ensure licensing requirements are dealt with whenever appropriate.

4. Supply chain risks

Risks:

On the board's behalf, our manager works with a number of key suppliers (particularly in relation to food, beer, wines and spirits) and third party distributors to supply our pubs. There is therefore a risk of interruption of supply and of failure of such key suppliers or distributors.

Mitigation processes:

Our manager is expected to work closely with our third-party suppliers, producers and supply chain partners to ensure that our relationships with them are positive and constructive at all times. Our manager regularly reviews the financial position of our major suppliers to assess the risk of them ceasing to be able to trade. It is our opinion that due to the non-specialist nature of our products, our manager would be able to source alternative supply arrangements should one of our suppliers cease to trade.

5. Financial risks

Risks:

It is vital to the business that we continue to meet our financial covenants and to ensure that there is sufficient financing to meet our business needs. We are exposed to interest rate risk on the variable rate components of our financing. We are also reliant on maintaining sound systems of internal control and on our information systems and technology to ensure the smooth operation of our business without risk of fraud or material error.

Mitigation processes:

Our manager is expected to constantly monitor our performance against our financial covenants and undertakes detailed stress-testing of our performance against those covenants on a regular basis. Working capital is closely managed and carefully forecast, with regular dialogue with our bankers, The Royal Bank of Scotland plc.

6. People risks

Risks:

We recognise the importance of attracting, retaining, developing and motivating the best people to help take our business forward and to ensure that we can deliver our operational and strategic objectives. Failure to attract these individuals could impact our ability to achieve our operational and strategic objectives.

Mitigation processes:

Our manager is tasked with aiming to recruit the best people with the right skills and offer training and development programmes to ensure that we retain them. Staff contracts and turnover trends are reviewed and benchmarked to highlight any potential issues.

ON BEHALF OF THE BOARD:

D C McIntyre - Director

28 February 2023

Report of the Directors
for the Period 3 October 2021 to 1 October 2022

The directors present their report with the financial statements of the company and the group for the period 3 October 2021 to 1 October 2022.

PRINCIPAL ACTIVITY

The principal activity of the group in the period under review was that of the owner and operator of public houses across Scotland.

DIVIDENDS

No ordinary dividends were paid during the year. The directors do not recommend a dividend in the coming year.

DIRECTORS

The directors shown below have held office during the whole of the period from 3 October 2021 to the date of this report.

D J S C Low
D C McIntyre

Other changes in directors holding office are as follows:

K H McGown - resigned 3 March 2022

The directors have the following shareholdings in the company at the year end:

D J S C Low	2,337,595
D C McIntyre	166,915

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Three Thistles plc (Registered number: SC306747)

Report of the Directors
for the Period 3 October 2021 to 1 October 2022

AUDITORS

The auditors, McLay McAlister & McGibbon LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D C McIntyre - Director

28 February 2023

Opinion

We have audited the financial statements of Three Thistles plc (the 'parent company') and its subsidiaries (the 'group') for the period ended 1 October 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 1 October 2022 and of the group's 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 group's and the parent 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page six, 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 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 group's and the parent 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 group or the parent 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 a Report of the Auditors 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.

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, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks and irregularities;
- any matters we identified having reviewed the Group's internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

We obtained an understanding of the legal and regulatory framework that the Group operates in. The key laws and regulations we considered included the UK Companies Act and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate. These included food safety, health and safety, GDPR and employment laws. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors, inspection of regulatory and legal correspondence, if any, and review of minutes of meetings. These limited procedures did not identify actual or suspected non-compliance.

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 Report of the Auditors.

Report of the Independent Auditors to the Members of
Three Thistles plc

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 a Report of the Auditors 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.

Fiona Russell (Senior Statutory Auditor)
for and on behalf of McLay McAlister & McGibbon LLP
Chartered Accountants and Statutory Auditors
145 St Vincent Street
Glasgow
G2 5JF

28 February 2023

Consolidated Statement of Comprehensive Income
for the Period 3 October 2021 to 1 October 2022

	Notes	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
TURNOVER	4	4,084,069	1,739,045
Cost of sales		<u>(3,327,679)</u>	<u>(2,045,026)</u>
GROSS PROFIT/(LOSS)		756,390	(305,981)
Administrative expenses		<u>(666,213)</u>	<u>(633,370)</u>
		90,177	(939,351)
Other operating income	5	<u>122,773</u>	<u>945,808</u>
OPERATING PROFIT	7	212,950	6,457
Interest receivable and similar income		<u>980</u>	<u>43</u>
		213,930	6,500
Gain/loss on revaluation of tangible assets		<u>(1,119,866)</u>	<u>-</u>
		(905,936)	6,500
Interest payable and similar expenses	8	<u>(68,293)</u>	<u>(45,572)</u>
LOSS BEFORE TAXATION		(974,229)	(39,072)
Tax on loss	9	<u>-</u>	<u>10,900</u>
LOSS FOR THE FINANCIAL PERIOD		(974,229)	(28,172)
OTHER COMPREHENSIVE INCOME			
Revaluation of properties		82,965	-
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		82,965	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>(891,264)</u>	<u>(28,172)</u>
Loss attributable to:			
Owners of the parent		<u>(974,229)</u>	<u>(28,172)</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>(891,264)</u>	<u>(28,172)</u>

The notes form part of these financial statements

Consolidated Balance Sheet
1 October 2022

	Notes	1.10.22 £	2.10.21 £
FIXED ASSETS			
Tangible assets	11	5,440,000	6,438,720
Investments	12	-	-
		<u>5,440,000</u>	<u>6,438,720</u>
CURRENT ASSETS			
Stocks	13	90,508	82,672
Debtors	14	52,233	70,263
Cash at bank		<u>1,565,535</u>	<u>799,323</u>
		1,708,276	952,258
CREDITORS			
Amounts falling due within one year	15	<u>(671,958)</u>	<u>(587,923)</u>
NET CURRENT ASSETS		<u>1,036,318</u>	<u>364,335</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,476,318	6,803,055
CREDITORS			
Amounts falling due after more than one year	16	<u>(1,759,067)</u>	<u>(1,944,540)</u>
NET ASSETS		<u>4,717,251</u>	<u>4,858,515</u>
CAPITAL AND RESERVES			
Called up share capital	20	4,500,000	3,750,000
Share premium	21	3,191,825	3,191,825
Revaluation reserve	21	82,965	-
Retained earnings	21	<u>(3,057,539)</u>	<u>(2,083,310)</u>
SHAREHOLDERS' FUNDS		<u>4,717,251</u>	<u>4,858,515</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2023 and were signed on its behalf by:

D C McIntyre - Director

Company Balance Sheet
1 October 2022

	Notes	1.10.22 £	2.10.21 £
FIXED ASSETS			
Tangible assets	11	5,350,000	6,236,370
Investments	12	<u>1</u>	<u>1</u>
		<u>5,350,001</u>	<u>6,236,371</u>
CURRENT ASSETS			
Stocks	13	83,738	68,754
Debtors	14	385,662	359,724
Cash at bank		<u>1,548,266</u>	<u>706,471</u>
		2,017,666	1,134,949
CREDITORS			
Amounts falling due within one year	15	<u>(642,424)</u>	<u>(529,941)</u>
NET CURRENT ASSETS		<u>1,375,242</u>	<u>605,008</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,725,243	6,841,379
CREDITORS			
Amounts falling due after more than one year	16	<u>(1,759,067)</u>	<u>(1,944,540)</u>
NET ASSETS		<u>4,966,176</u>	<u>4,896,839</u>
CAPITAL AND RESERVES			
Called up share capital	20	4,500,000	3,750,000
Share premium	21	3,191,825	3,191,825
Revaluation reserve	21	82,965	-
Retained earnings	21	<u>(2,808,614)</u>	<u>(2,044,986)</u>
SHAREHOLDERS' FUNDS		<u>4,966,176</u>	<u>4,896,839</u>
Company's loss for the financial year		<u>(763,628)</u>	<u>(48,495)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2023 and were signed on its behalf by:

D C McIntyre - Director

Consolidated Statement of Changes in Equity
for the Period 3 October 2021 to 1 October 2022

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
Balance at 4 October 2020	3,750,000	(2,055,138)	3,191,825	-	4,886,687
Changes in equity					
Total comprehensive income	-	(28,172)	-	-	(28,172)
Balance at 2 October 2021	3,750,000	(2,083,310)	3,191,825	-	4,858,515
Changes in equity					
Issue of share capital	750,000	-	-	-	750,000
Total comprehensive income	-	(974,229)	-	82,965	(891,264)
Balance at 1 October 2022	4,500,000	(3,057,539)	3,191,825	82,965	4,717,251

Company Statement of Changes in Equity
for the Period 3 October 2021 to 1 October 2022

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
Balance at 4 October 2020	3,750,000	(1,996,491)	3,191,825	-	4,945,334
Changes in equity					
Total comprehensive income	-	(48,495)	-	-	(48,495)
Balance at 2 October 2021	3,750,000	(2,044,986)	3,191,825	-	4,896,839
Changes in equity					
Issue of share capital	750,000	-	-	-	750,000
Total comprehensive income	-	(763,628)	-	82,965	(680,663)
Balance at 1 October 2022	4,500,000	(2,808,614)	3,191,825	82,965	4,966,176

Consolidated Cash Flow Statement
for the Period 3 October 2021 to 1 October 2022

		Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	403,722	232,190
Interest paid		(68,293)	(45,572)
Tax paid		27,034	-
Net cash from operating activities		<u>362,463</u>	<u>186,618</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(164,308)	(69,030)
Interest received		980	43
Net cash from investing activities		<u>(163,328)</u>	<u>(68,987)</u>
Cash flows from financing activities			
New loans in year		-	2,184,199
Loan repayments in year		(182,923)	(1,788,722)
Share issue		750,000	-
Net cash from financing activities		<u>567,077</u>	<u>395,477</u>
Increase in cash and cash equivalents		<u>766,212</u>	<u>513,108</u>
Cash and cash equivalents at beginning of period	2	799,323	286,215
Cash and cash equivalents at end of period	2	<u>1,565,535</u>	<u>799,323</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Period 3 October 2021 to 1 October 2022**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Loss before taxation	(974,229)	(39,072)
Depreciation charges	126,127	118,432
Loss on revaluation of fixed assets	1,119,866	-
Finance costs	68,293	45,572
Finance income	(980)	(43)
	<u>339,077</u>	<u>124,889</u>
Increase in stocks	(7,836)	(8,322)
Increase in trade and other debtors	(9,004)	(4,660)
Increase in trade and other creditors	81,485	120,283
Cash generated from operations	<u><u>403,722</u></u>	<u><u>232,190</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 1 October 2022

	1.10.22 £	3.10.21 £
Cash and cash equivalents	<u><u>1,565,535</u></u>	<u><u>799,323</u></u>

Period ended 2 October 2021

	2.10.21 £	4.10.20 £
Cash and cash equivalents	<u><u>799,323</u></u>	<u><u>286,215</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 3.10.21 £	Cash flow £	At 1.10.22 £
Net cash			
Cash at bank	<u><u>799,323</u></u>	<u><u>766,212</u></u>	<u><u>1,565,535</u></u>
	<u><u>799,323</u></u>	<u><u>766,212</u></u>	<u><u>1,565,535</u></u>
Debt			
Debts falling due within 1 year	(181,636)	(2,550)	(184,186)
Debts falling due after 1 year	<u><u>(1,944,540)</u></u>	<u><u>185,473</u></u>	<u><u>(1,759,067)</u></u>
	<u><u>(2,126,176)</u></u>	<u><u>182,923</u></u>	<u><u>(1,943,253)</u></u>
Total	<u><u>(1,326,853)</u></u>	<u><u>949,135</u></u>	<u><u>(377,718)</u></u>

1. **STATUTORY INFORMATION**

Three Thistles plc is a public limited company, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Following the COVID-19 pandemic, the war in Ukraine and ongoing inflationary concerns, the directors have undertaken a review of the trading forecasts and cashflows of the group taking account of the strong working capital position and the continued support of the bank. After making enquiries, the directors believe that the group has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the date of signing of these financial statements. Accordingly the accounts continue to be prepared on the going concern basis.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Heritable property - 2% straight line, land is not depreciated.

Long leasehold - depreciated over the term of the lease

Fixtures and fittings - 25% on reducing balance

The group's policy is to review the remaining useful economic lives and residual value of all tangible fixed assets on an on-going basis and to adjust the depreciation charge to reflect the remaining useful economic life and residual value.

Fully depreciated assets are retained in cost and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the income statement.

Impairment of fixed assets

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

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

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

2. **ACCOUNTING POLICIES - continued**

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate. Government grants received are included in other income.

Stocks

Stocks are stated at the lower of cost and estimated selling price less cost to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

2. ACCOUNTING POLICIES - continued

Financial instruments

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

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

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

Trade and other debtors

Trade and other debtors are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cashflows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but the control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Cash

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Classification of financial liabilities

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

Trade and other creditors

Trade and other creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transactions, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

2. ACCOUNTING POLICIES - continued

Equity instruments

Equity instruments issued by the group are recorded at the fair value of the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated 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 period 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.

Pension costs and other post-retirement benefits

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

Employee benefits

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

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

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Heritable property

The critical estimate in preparing these financial statements relates to the carrying value of the heritable property, which is stated at cost less impairment as valued by the directors and third parties.

4. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Liquor sales	2,371,720	973,980
Food sales	1,436,631	603,630
Other income	266,958	159,531
Gaming income	8,760	1,904
	<u>4,084,069</u>	<u>1,739,045</u>

5. OTHER OPERATING INCOME

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Job retention scheme receipts	-	517,838
Rates holiday and grants	122,773	427,970
	<u>122,773</u>	<u>945,808</u>

6. EMPLOYEES AND DIRECTORS

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Wages and salaries	1,528,090	1,277,076
Social security costs	78,300	52,710
Other pension costs	21,063	16,070
	<u>1,627,453</u>	<u>1,345,856</u>

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

6. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the period was as follows:

	Period 3.10.21 to 1.10.22	Period 4.10.20 to 2.10.21
Directors	3	3
Employees	<u>101</u>	<u>97</u>
	<u>104</u>	<u>100</u>
	Period 3.10.21 to 1.10.22	Period 4.10.20 to 2.10.21
	£	£
Directors' remuneration	<u>107,695</u>	<u>117,959</u>

7. **OPERATING (LOSS)/PROFIT**

The operating profit is stated after charging:

	Period 3.10.21 to 1.10.22	Period 4.10.20 to 2.10.21
£ £		
Other operating leases	21,184	9,804
Depreciation - owned assets	126,127	118,432
Auditors remuneration	11,700	11,000
All other non-audit services	3,000	3,000
Cost of stocks recognised as an expense	<u>1,244,659</u>	<u>492,368</u>

8. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	Period 3.10.21 to 1.10.22	Period 4.10.20 to 2.10.21
	£	£
Bank interest	<u>68,293</u>	<u>45,572</u>

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

9. **TAXATION**

Analysis of the tax credit

The tax credit on the loss for the period was as follows:

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Deferred tax	-	(10,900)
Tax on loss	-	(10,900)

UK corporation tax has been charged at 19 % (2021 - 19 %).

Reconciliation of total tax credit included in profit and loss

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

	Period 3.10.21 to 1.10.22 £	Period 4.10.20 to 2.10.21 £
Loss before tax	(974,229)	(39,072)
Loss multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	(185,104)	(7,424)
Effects of:		
Expenses not deductible for tax purposes	1,082	-
Depreciation in excess of capital allowances	2,816	9,628
Utilisation of tax losses	(31,569)	(2,204)
Deferred tax adjustment	-	(10,900)
Loss on revaluation not deductible for tax purposes	212,775	-
Total tax credit	-	(10,900)

Tax effects relating to effects of other comprehensive income

	3.10.21 to 1.10.22 Gross £	Tax £	Net £
Revaluation of properties	82,965	-	82,965

10. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

11. TANGIBLE FIXED ASSETS

Group

	Heritable property £	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 3 October 2021	9,194,722	166,814	494,755	9,856,291
Additions	-	-	164,308	164,308
Revaluations	(4,127,437)	(113,531)	-	(4,240,968)
Reclassification/transfer	(3,040)	-	3,040	-
At 1 October 2022	<u>5,064,245</u>	<u>53,283</u>	<u>662,103</u>	<u>5,779,631</u>
DEPRECIATION				
At 3 October 2021	3,149,321	8,833	259,417	3,417,571
Charge for period	39,044	6,869	80,214	126,127
Revaluation adjustments	(3,188,365)	(15,702)	-	(3,204,067)
At 1 October 2022	<u>-</u>	<u>-</u>	<u>339,631</u>	<u>339,631</u>
NET BOOK VALUE				
At 1 October 2022	<u>5,064,245</u>	<u>53,283</u>	<u>322,472</u>	<u>5,440,000</u>
At 2 October 2021	<u>6,045,401</u>	<u>157,981</u>	<u>235,338</u>	<u>6,438,720</u>

Cost or valuation at 1 October 2022 is represented by:

	Heritable property £	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2022	(4,127,437)	(113,531)	-	(4,240,968)
Cost	9,191,682	166,814	662,103	10,020,599
	<u>5,064,245</u>	<u>53,283</u>	<u>662,103</u>	<u>5,779,631</u>

On 30 September 2022, the Directors instructed CDLH Surveyors Limited to carry out a formal valuation of the Three Thistles plc portfolio to assist with compliance with Financial Reporting Standard 102 ("FRS 102") in disclosing assets at their fair value.

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

11. **TANGIBLE FIXED ASSETS - continued**

Company

	Heritable property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 3 October 2021	9,194,722	439,118	9,633,840
Additions	-	161,237	161,237
Revaluations	(4,127,437)	-	(4,127,437)
Reclassification/transfer	(3,040)	3,040	-
At 1 October 2022	<u>5,064,245</u>	<u>603,395</u>	<u>5,667,640</u>
DEPRECIATION			
At 3 October 2021	3,149,321	248,149	3,397,470
Charge for period	39,044	69,491	108,535
Revaluation adjustments	(3,188,365)	-	(3,188,365)
At 1 October 2022	<u>-</u>	<u>317,640</u>	<u>317,640</u>
NET BOOK VALUE			
At 1 October 2022	<u>5,064,245</u>	<u>285,755</u>	<u>5,350,000</u>
At 2 October 2021	<u>6,045,401</u>	<u>190,969</u>	<u>6,236,370</u>

Cost or valuation at 1 October 2022 is represented by:

	Heritable property £	Fixtures and fittings £	Totals £
Valuation in 2022	(4,127,437)	-	(4,127,437)
Cost	<u>9,191,682</u>	<u>603,395</u>	<u>9,795,077</u>
	<u>5,064,245</u>	<u>603,395</u>	<u>5,667,640</u>

On 30 September 2022, the Directors instructed CDLH surveyors to carry out a formal valuation of the Three Thistles plc portfolio to assist with compliance with Financial Reporting Standard 102 ("FRS 102") in disclosing assets at their fair value.

12. **FIXED ASSET INVESTMENTS**

Company

	Unlisted investments £
COST	
At 3 October 2021 and 1 October 2022	<u>1</u>
NET BOOK VALUE	
At 1 October 2022	<u>1</u>
At 2 October 2021	<u>1</u>

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Three Thistles West Limited

Registered office: 163 Bath Street, Glasgow, Scotland, G2 4SQ

Nature of business: Public house operator

Class of shares:	% holding
Ordinary	100.00

13. **STOCKS**

	Group		Company	
	1.10.22	2.10.21	1.10.22	2.10.21
	£	£	£	£
Stocks	<u>90,508</u>	<u>82,672</u>	<u>83,738</u>	<u>68,754</u>

14. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	1.10.22	2.10.21	1.10.22	2.10.21
	£	£	£	£
Trade debtors	7,745	5,329	5,830	2,601
Amounts owed by group undertakings	-	-	337,329	293,999
Other debtors	44,488	37,900	42,503	36,090
Tax	-	27,034	-	27,034
	<u>52,233</u>	<u>70,263</u>	<u>385,662</u>	<u>359,724</u>

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

	Group		Company	
	1.10.22	2.10.21	1.10.22	2.10.21
	£	£	£	£
Bank loans and overdrafts (see note 17)	184,186	181,636	184,186	181,636
Trade creditors	200,120	181,677	197,267	164,981
Social security and other taxes	124,962	73,912	114,517	55,135
Other creditors	31,861	29,473	31,861	29,473
Accruals and deferred income	130,829	121,225	114,593	98,716
	<u>671,958</u>	<u>587,923</u>	<u>642,424</u>	<u>529,941</u>

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

	Group		Company	
	1.10.22	2.10.21	1.10.22	2.10.21
	£	£	£	£
Bank loans (see note 17)	<u>1,759,067</u>	<u>1,944,540</u>	<u>1,759,067</u>	<u>1,944,540</u>

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

17. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	1.10.22 £	2.10.21 £	1.10.22 £	2.10.21 £
Amounts falling due within one year or on demand:				
Bank loans	<u>184,186</u>	<u>181,636</u>	<u>184,186</u>	<u>181,636</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>186,540</u>	<u>183,918</u>	<u>186,540</u>	<u>183,918</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>309,378</u>	<u>497,473</u>	<u>309,378</u>	<u>497,473</u>
Amounts falling due in more than five years: Repayable otherwise than by instalments				
Bank loans more than 5 years	<u>1,263,149</u>	<u>1,263,149</u>	<u>1,263,149</u>	<u>1,263,149</u>

18. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	1.10.22 £	2.10.21 £
Within one year	21,516	20,890
Between one and five years	86,064	83,558
In more than five years	<u>374,737</u>	<u>384,717</u>
	<u>482,317</u>	<u>489,165</u>

19. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	1.10.22 £	2.10.21 £	1.10.22 £	2.10.21 £
Bank loans	<u>1,943,253</u>	<u>2,126,176</u>	<u>1,943,253</u>	<u>2,126,176</u>

The long-term loans are secured by fixed charges over the group's freehold property assets and a bond and floating charge over the group's assets in favour of The Royal Bank of Scotland plc. Interest is charged at 2.66% over base rate on £1.7m commencing on 13 October 2020 and at 4.75% over base rate on a CBILS loan of £0.5m commencing on 8 October 2021. The term of the loans are to October 2025 and October 2026, respectively.

Notes to the Consolidated Financial Statements - continued
for the Period 3 October 2021 to 1 October 2022

20. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1.10.22 £	2.10.21 £
45,000,000	Ordinary	10p	<u>4,500,000</u>	<u>3,750,000</u>

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at the general meetings of the Company.

During the year, 7,500,000 shares at 10p per share were allotted, increasing the total shares allotted to 45,000,000.

21. **RESERVES**

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Totals £
At 3 October 2021	(2,083,310)	3,191,825	-	1,108,515
Deficit for the period	(974,229)			(974,229)
Revaluation	-	-	82,965	82,965
At 1 October 2022	<u>(3,057,539)</u>	<u>3,191,825</u>	<u>82,965</u>	<u>217,251</u>

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Totals £
At 3 October 2021	(2,044,986)	3,191,825	-	1,146,839
Deficit for the period	(763,628)			(763,628)
Revaluation	-	-	82,965	82,965
At 1 October 2022	<u>(2,808,614)</u>	<u>3,191,825</u>	<u>82,965</u>	<u>466,176</u>

22. **RELATED PARTY DISCLOSURES**

The total remuneration of directors who are considered to be the key management personnel of the group was £107,695 (2021: £117,959).

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