

DHP FAMILY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

DHP FAMILY LIMITED

COMPANY INFORMATION

Directors	GH Akins SPD Akins GH Akins (Jnr) DP McDerment BJ Easter
Company secretary	SPD Akins
Registered number	00259388
Registered office	2 Lace Market Square Nottingham NG1 1PB
Independent auditors	PKF Smith Cooper Audit Limited Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB

DHP FAMILY LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Introduction

We aim to present a balanced and comprehensive review of the performance and development of the business during and at the end of the year, consistent with its size and complexity; and in the context of risks and uncertainties that we face.

Business review

The first half of 2021 was during lockdown and from May to mid-July socially distanced trade, of which is minimal for the business. Once the restriction was lifted in late July 2021, we saw a huge demand across all aspects of our business which had been built up for a year and a half. As a result, we had a very busy end to the year. The business continued like others to face challenges from Covid-19 from different areas, but we managed this via our experienced teams.

Once the vaccine was rolled out and dates given via the government to plan to open in 3 stages, we were able to tackle maintenance issues which are done best during closed periods, of which we have little in the normal course of business. This enabled us to have the confidence to invest in additional outdoor spaces which proved very popular during late 2021.

Principal risks and uncertainties

The risks to the business in the coming years continue to be the keen competition in the late-night hospitality market and compliance with relevant bodies to protect our licences. Principal risks include regulator risks and we manage these with in-house risk management to protect our licences within venues.

Currently the major uncertainties to the business are price rises of electricity which is the principal power usage in venues.

Financial key performance indicators

Turnover during 2021 was heavily affected by Covid 19 where large parts of our business were not open due to restrictions until late July 2021. As such this has been reflected in a drop in turnover to £21.1m when compared to pre-Covid years. Operating profit was £2.3m and net profit £1.5m.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors' statement of compliance with duty to promote the success of the Company

DHP Family Ltd: Stakeholder engagement

At DHP Family we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its members as a whole, and to have regard to the long-term effect of our decisions on the company and its stakeholders. This statement addresses how we as a Board outwork this responsibility.

Since the opening of our flagship venue Rock City over 40 years ago, DHP Family has grown to become a leading name in the live music industry with a deserved reputation for our innovative and creative approach to music production and promotion.

After 10 years of fast expansion, we've established ourselves as the biggest independent promoter in the UK, earning a credible reputation within the live industry and winning Music Week's 'National Promoter of the Year' in 2019 and Live UK's 'National Concert Promoter of the Year' multiple times.

We pride ourselves on our big company capabilities but with the same focus on the original ethics that got us here. We deliver an unrivalled experience in promotion, managing all aspects of major indoor and outdoor festivals, national tours and standalone shows across the UK.

We engage with our key stakeholders as outlined below:

Our employees

We have many skilled and experienced team members working for DHP, many with years of experience in the industry. We pride ourselves on being a "family" and treat team members as such. The recruitment and retention of staff is key and we engage with them as follows;

- Remuneration is set at market levels, rewarding performance of team members by a bonuses structure;
- In the last year, DHP has continued to use its new staff communication app to keep in touch with staff as a whole throughout the Covid-19 pandemic.
- We provide different forms of training to meet the needs of the departments, this comes in the form of a 12-day management training package which the whole Senior team has done. We aim to put all our managers through this training, and it has now run for 5 years.
- We had weekly senior management and team leader meetings during 2021 so all departments can be involved in significant decisions the business make.

Our customers and suppliers

We have worked for many years with lots of our suppliers so we can get equipment and stock at short notice as required. Over recent years we have brought in more local suppliers for craft beer as this is something we have a passion for and is shared with our customers.

We enhance our reputation with suppliers by paying them on standard terms and paying on time as we understand a smaller company needs to be paid quickly. Examples of this include 7 day or 14 day payment terms for selected suppliers which we meet.

Our Community

DHP fundraises annually money for community projects - Beat the Streets Festival (Framework Charity for Homeless) we support NUSIC (social enterprise dedicated to musicians in Nottinghamshire) – gave in-kind support £10k in the last 3 years. Since 2018 DHP has organised and funded annual Women in Music Conferences to encourage more women into our industry & a place for women to meet discuss and hear success stories & the challenges women face. In 2020 despite the Covid 19 pandemic, we continued our charity work with Framework moving to an online-only format whilst still raising funds for the charity.

DHP FAMILY LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Our Planet

DHP Family recognises that it has a responsibility to the environment beyond legal and regulatory requirements. We are committed to reducing our environmental impact and continually improving our environmental performance as an integral part of our business strategy and operating methods, with regular review points. We will encourage customers, suppliers, and other stakeholders to do the same.

This report was approved by the board on 7 September 2022 and signed on its behalf.

.....
SPD Akins

Director

DHP FAMILY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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

Principal activity

The operation of bars and nightclubs and the promotion of musical entertainment.

Results and dividends

The profit for the year, after taxation, amounted to £1,530,231 (2020 - loss £1,842,707).

Directors

The directors who served during the year were:

GH Akins
SPD Akins
GH Akins (Jnr)
DP McDerment
BJ Easter

Future developments

In 2022 we have sold one of our buildings which is no longer required by the business.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Engagement with employees

The company ensures that employees are consulted on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests. The company also ensures achievement of a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

Disabled employees

Equal opportunity guides all aspects of employment, including recruitment and promotion, and provides encouragement to employees at all levels to act fairly and to prevent discrimination on any ground, including disability. It is the company's policy that applications for employment by disabled persons are always fully considered. In the event of an existing employee becoming disabled, all reasonable effort is made to ensure that their employment with the company can continue. It is our policy that the training, career development and promotion of disabled persons are, as far as possible, the same as that of all other employees in the company.

Greenhouse gas emissions, energy consumption and energy efficiency action

UK Greenhouse Gas emissions and energy data for the period 01 January 2021 to 31 December 2021:

2021 2020

Energy consumption used to calculate emissions (kWh) 1,129,338 871,967

Scope 1 emissions in metric tonnes CO₂e

Owned Transport – van 1.61 0.95

Gas Consumption 51.07 55.36

Total scope 1 52.68 56.31

Scope 2 emissions in metric tonnes CO₂e

Purchased electricity 162.05 130.50

Scope 3 emissions in metric tonnes CO₂e

Business travel in employee owned vehicles 1.25 1.31

Total Gross emissions in metric tonnes CO₂e 215.97 188.12

Intensity ratio

Tonnes CO₂e per £m turnover 9.58 16.12

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Measures taken to improve energy efficiency

In 2021 we have had our main buildings surveyed to improve efficiency. On top of this, we have reduced business travel down to a minimum with fewer meetings in person.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per £1m of turnover: 9.58 for the year.

DHP FAMILY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, PKF Smith Cooper Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 7 September 2022 and signed on its behalf.

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SPD Akins

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DHP FAMILY LIMITED

Opinion

We have audited the financial statements of DHP Family Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year 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 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. 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 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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DHP FAMILY LIMITED (CONTINUED)

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 year 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 4, 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 AUDITORS' REPORT TO THE MEMBERS OF DHP FAMILY LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

We identified that the principle risk of fraud or non-compliance with laws and regulations related to:

- Management bias in respect of accounting estimates and judgements made;
- Management override of control;
- Posting of unusual journals or transactions

We focussed on those areas that could give rise to a material misstatement in the Company financial statements.

Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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 Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DHP FAMILY LIMITED (CONTINUED)

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 Auditors' 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.

Sarah Flear (Senior statutory auditor)

for and on behalf of

PKF Smith Cooper Audit Limited

Statutory Auditors

2 Lace Market Square

Nottingham

NG1 1PB

15 September 2022

DHP FAMILY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	3	21,131,712	9,325,160
Cost of sales		(13,832,183)	(7,003,966)
Gross profit		7,299,529	2,321,194
Advertising, marketing and promotions		(772,417)	(787,529)
Administrative expenses		(5,833,908)	(5,481,995)
Other operating income	4	1,603,418	2,409,636
Operating profit/(loss)	5	2,296,622	(1,538,694)
Interest receivable and similar income		335	3,373
Interest payable and similar expenses	9	(217,626)	(239,639)
Profit/(loss) before tax		2,079,331	(1,774,960)
Tax on profit/(loss)	10	(549,100)	(67,747)
Profit/(loss) for the financial year		1,530,231	(1,842,707)

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 14 to 28 form part of these financial statements.

DHP FAMILY LIMITED
REGISTERED NUMBER: 00259388

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	4,652,536	5,036,037
Investments	12	100	100
		<hr/>	<hr/>
		4,652,636	5,036,137
Current assets			
Stocks	13	307,038	120,864
Debtors: amounts falling due within one year	14	8,369,808	8,177,823
Cash at bank and in hand	15	9,581,112	5,897,680
		<hr/>	<hr/>
		18,257,958	14,196,367
Creditors: amounts falling due within one year	16	(12,697,504)	(10,363,630)
		<hr/>	<hr/>
Net current assets		5,560,454	3,832,737
		<hr/>	<hr/>
Total assets less current liabilities		10,213,090	8,868,874
Creditors: amounts falling due after more than one year	17	(825,589)	(1,078,894)
Provisions for liabilities			
Deferred tax	20	(111,549)	(44,259)
		<hr/>	<hr/>
		(111,549)	(44,259)
Net assets		<hr/> <hr/>	<hr/> <hr/>
		9,275,952	7,745,721
Capital and reserves			
Called up share capital	21	72,826	72,826
Profit and loss account	22	9,203,126	7,672,895
		<hr/>	<hr/>
		9,275,952	7,745,721
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 September 2022.

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SPD Akins

Director

The notes on pages 14 to 28 form part of these financial statements.

DHP FAMILY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	72,826	9,515,602	9,588,428
Comprehensive income for the year			
Loss for the year	-	(1,842,707)	(1,842,707)
	<hr/>	<hr/>	<hr/>
At 1 January 2021	72,826	7,672,895	7,745,721
Comprehensive income for the year			
Profit for the year	-	1,530,231	1,530,231
	<hr/>	<hr/>	<hr/>
At 31 December 2021	<u>72,826</u>	<u>9,203,126</u>	<u>9,275,952</u>

The notes on pages 14 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies

1.1 Basis of preparation of financial statements

DHP Family Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information page of these financial statements. The company's registration number is 00259388. The nature of the company's operations and principal activities are given in the Directors' Report.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in Sterling which is the functional currency of the company and have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In preparing the financial statements on a going concern basis, the Directors have paid due regard to relevant forecast financial information, including cash flows, and factored in sensitivities and uncertainties affecting the company. In the Directors' opinion, the company is a going concern for a minimum of twelve months from the date of the approval of the financial statements.

1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of SJC 15 Limited as at 31 December 2021 and these financial statements may be obtained from 2 Lace Market Square, Nottingham, NG1 1PB.

1.4 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 sale of wet and dry goods within the company's venues is recognised at the point of sale, when payment is made by the customer. Door receipts are recognised on entrance to the venue. Sales of tickets are usually recognised when the event; for which consideration has been received, actually occurs. Sponsorship income and hire of facilities income is recognised in line with the period to which it relates.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

Lease incentives are recognised over the lease term on a straight line basis.

1.6 Interest income

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

1.7 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.

1.8 Loans and borrowing

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest method. Loans and borrowings that are receivable within one year are not discounted. If an arrangement constitutes a finance transaction it is measured at present value of future payments discounted at a market rate of interest for a similar loan.

1.9 Pensions

Defined contribution pension plan

The company operates a defined contribution pension scheme and contributions to the scheme are recognised in the profit and loss account in the period in which they become payable.

1.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, unless it relates to items in other comprehensive income or directly in equity. In such cases, the restated tax is also other comprehensive income or directly in equity.

Current tax liabilities are measured at the amount expected to be paid, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method and is calculated using rates of taxation enacted or substantively enacted at the balance sheet date which are expected to apply when the asset or liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life.

No depreciation is provided in the year of acquisition whilst a full year of depreciation is provided in the year of disposal.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2%	straight line
Freehold refurbishments	-	10%	straight line
Leasehold improvements	-	2%	straight line or over the term of the lease - 15 years
Plant and machinery	-	7%	straight line
Fixtures and fittings	-	25%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

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

1.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand and short term deposits with an original maturity date of three months or less.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

1.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.16 Short term debtors and creditors

Debtors and creditors with no stated interest rate or that are receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

1.18 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Profit and loss account if the shares are publicly traded or their fair value can otherwise be measured reliably;

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.18 Financial instruments (continued)

- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

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

The preparation of the financial statements requires management to make judgments, 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 the estimation means that the actual outcomes could differ from those estimates. There are no significant judgments which have had an effect on the amounts recognised in the financial statements.

3. Analysis of turnover

	2021 £	2020 £
Sale of goods	8,259,332	3,793,671
Ticket and event income	11,659,447	4,701,169
Rendering of services, commissions, and sponsorships	963,173	545,009
Other income	249,760	285,311
	<u>21,131,712</u>	<u>9,325,160</u>

All turnover arose within the United Kingdom.

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Other operating income

	2021 £	2020 £
Government's Culture Recovery Fund and other reopening grants	733,302	454,002
Coronavirus Job Retention Scheme	870,116	1,955,634
	<u>1,603,418</u>	<u>2,409,636</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	563,246	588,818
Other operating lease rentals	572,944	535,189
Impairment	<u>119,878</u>	<u>-</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>19,500</u>	<u>19,000</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent.

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	4,672,376	4,625,139
Social security costs	269,156	312,177
Cost of defined contribution scheme	76,411	98,134
	<u>5,017,943</u>	<u>5,035,450</u>

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

	2021 No.	2020 No.
Entertainment staff	323	340
Management	2	2
	<u>325</u>	<u>342</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	215,732	163,252
Company contributions to defined contribution pension schemes	4,287	5,290
	<u>220,019</u>	<u>168,542</u>

During the year retirement benefits were accruing to no directors (2020 - 2) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	36,219	34,159
Other loan interest payable	181,407	205,480
	<u>217,626</u>	<u>239,639</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	487,646	-
Adjustments in respect of previous periods	(5,836)	(21,250)
	<u>481,810</u>	<u>(21,250)</u>
Total current tax	<u>481,810</u>	<u>(21,250)</u>
Deferred tax		
Origination and reversal of timing differences	67,290	88,997
Total deferred tax	<u>67,290</u>	<u>88,997</u>
Taxation on profit on ordinary activities	<u>549,100</u>	<u>67,747</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>2,079,331</u>	<u>(1,774,960)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	395,073	(337,242)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	78,162	42,901
Depreciation in excess of capital allowances	18,779	44,644
Utilisation of tax losses	(2,326)	-
Adjustments to tax charge in respect of prior periods	(5,836)	(21,250)
Deferred tax - origination and reversal of temporary timing differences	67,290	88,997
Unrelieved tax losses carried back	-	20,999
Group relief	(2,042)	228,698
Total tax charge for the year	<u>549,100</u>	<u>67,747</u>

Factors that may affect future tax charges

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Taxation (continued)

In April 2023 the rate of corporation tax will increase to 25% from the current rate of 19%.

11. Tangible fixed assets

	Freehold property £	Freehold refurbs £	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Total £
Cost						
At 1 January 2021	1,918,108	1,301,814	2,272,367	711,202	3,097,398	9,300,889
Additions	-	-	110,882	-	188,741	299,623
At 31 December 2021	1,918,108	1,301,814	2,383,249	711,202	3,286,139	9,600,512
Depreciation						
At 1 January 2021	213,078	328,329	717,212	413,622	2,592,611	4,264,852
Charge for the year on owned assets	38,363	130,182	141,520	47,440	205,741	563,246
Impairment charge	55,539	-	64,339	-	-	119,878
At 31 December 2021	306,980	458,511	923,071	461,062	2,798,352	4,947,976
Net book value						
At 31 December 2021	1,611,128	843,303	1,460,178	250,140	487,787	4,652,536
At 31 December 2020	1,705,030	973,485	1,555,155	297,580	504,787	5,036,037

12. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2021	100
At 31 December 2021	100

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Rock City Limited (dormant)	2 Lace Market Square, Nottingham, United Kingdom, NG1 1PB	Ordinary	100 %
DHP Family Live Limited	2 Lace Market Square, Nottingham, United Kingdom, NG1 1PB	Ordinary	100 %

13. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	307,038	120,864
	<u>307,038</u>	<u>120,864</u>

14. Debtors

	2021	2020
	£	£
Trade debtors	561,241	110,437
Amounts owed by group undertakings	6,599,982	6,838,365
Other debtors	1,051,804	1,182,437
Prepayments and accrued income	156,781	46,584
	<u>8,369,808</u>	<u>8,177,823</u>

15. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	9,581,112	5,897,680
	<u>9,581,112</u>	<u>5,897,680</u>

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	<i>£</i>
Bank loans	202,211	<i>261,874</i>
Trade creditors	1,166,245	<i>575,038</i>
Amounts owed to group undertakings	100	<i>100</i>
Corporation tax	447,646	<i>-</i>
Other taxation and social security	368,597	<i>452,928</i>
Other creditors	6,212,628	<i>6,311,000</i>
Accruals and deferred income	2,032,494	<i>495,107</i>
Share capital treated as debt	2,267,583	<i>2,267,583</i>
	<u>12,697,504</u>	<i><u>10,363,630</u></i>

The following liabilities were secured:

	2021	<i>2020</i>
	£	<i>£</i>
Bank loans	202,211	<i>261,874</i>
	<u>202,211</u>	<i><u>261,874</u></i>

Details of security provided:

The bank loan is secured by first legal charge over the company's freehold land and buildings and by cross guarantee and debenture between Geo. Akins (Holdings) Limited and Jalland & Co. Limited.

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Creditors: Amounts falling due after more than one year

	2021	<i>2020</i>
	£	<i>£</i>
Bank loans	825,589	<i>1,078,894</i>
	<u>825,589</u>	<u><i>1,078,894</i></u>

The following liabilities were secured:

	2021	<i>2020</i>
	£	<i>£</i>
Bank loans	825,589	<i>1,078,894</i>
	<u>825,589</u>	<u><i>1,078,894</i></u>

Details of security provided:

The bank loan is secured by first legal charge over the company's freehold land and buildings and by cross guarantee and debenture between Geo. Akins (Holdings) Limited and Jalland & Co. Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	202,211	261,874
	<u>202,211</u>	<u>261,874</u>
Amounts falling due 1-2 years		
Bank loans	207,829	226,641
	<u>207,829</u>	<u>226,641</u>
Amounts falling due 2-5 years		
Bank loans	617,760	463,082
	<u>617,760</u>	<u>463,082</u>
Amounts falling due after more than 5 years		
Bank loans	-	389,171
	<u>-</u>	<u>389,171</u>
	<u><u>1,027,800</u></u>	<u><u>1,340,768</u></u>

19. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>8,214,868</u>	<u>8,127,568</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,194,045)</u>	<u>(1,915,806)</u>

Financial assets measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and other debtors.

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

DHP FAMILY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Deferred taxation

	2021 £
At beginning of year	(44,259)
Charged to profit or loss	(67,290)
At end of year	<u>(111,549)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(125,634)	(94,690)
Other timing differences	14,085	50,431
	<u>(111,549)</u>	<u>(44,259)</u>

21. Share capital

	2021 £	2020 £
Shares classified as equity		
Allotted, called up and fully paid		
72,826 (2020 - 72,826) Ordinary shares of £1.00 each	<u>72,826</u>	<u>72,826</u>
Shares classified as debt		
Allotted, called up and fully paid		
2,267,583 (2020 - 2,267,583) Preference shares of £1.00 each	<u>2,267,583</u>	<u>2,267,583</u>

22. Reserves

Profit and loss account

This reserve records the retained earnings from the current and prior years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £76,411 (2020: £98,134).

Contributions totalling £13,959 (2020: £17,778) were payable to the fund at the balance sheet date.

24. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	561,800	561,800
Later than 1 year and not later than 5 years	1,606,850	1,908,650
Later than 5 years	482,500	742,500
	<u>2,651,150</u>	<u>3,212,950</u>

25. Transactions with directors

An amount of £532,009 (2020: £350,603) is included in accruals in respect of preference share interest due to a director.

Included within other creditors are directors' preference shares of £2,267,583 (2020: £2,267,583).

There is an amount of £11,274 (2020: £65,077) owing to a director within other creditors. During the year, the company accrued interest of £Nil (2020: £Nil) in respect of these loans.

26. Related party transactions

The company has taken advantage of the exemption under FRS 102 Section 33.1A Related Party Disclosures from disclosing transactions with other members of the group.

The company has taken advantage of the exemption under FRS 102 Section 1.12 Reduced Disclosures For Subsidiaries from disclosing key management personnel compensation in total.

27. Controlling party

The company's parent undertaking in Geo. Akins (Holdings) Limited. Geo. Akins (Holdings) Limited is a subsidiary of the ultimate parent undertaking SJC 15 Limited.

The largest group in which the results of the company are consolidated is SJC 15 Limited. Consolidated financial statements are available from 2 Lace Market Square, Nottingham, NG1 1PB.

The company is ultimately controlled by GH Akins (Jnr) and SPD Akins by virtue of their joint shareholding in SJC 15 Limited.

The company is exempt from preparing group accounts as the results are included within the consolidated financial statements of SJC 15 Limited.

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