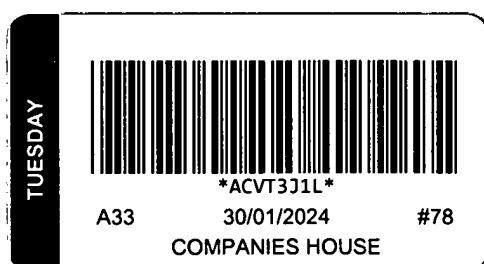


Company registration number 00474937 (England and Wales)

CHAMPNEYS TRING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023



CHAMPNEYS TRING LIMITED

COMPANY INFORMATION

Directors	Mr S Purdew Mr A Whiteley
Secretary	Mr P Mitchell
Company number	00474937
Registered office	16 Great Queen Street Covent Garden London WC2B 5AH
Auditor	Azets Audit Services Ashcombe Court Woolsack Way Godalming Surrey GU7 1LQ
Business address	Chesham Road Wigginton Tring Hertfordshire HP23 6HX

CHAMPNEYS TRING LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 27

CHAMPNEYS TRING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present the strategic report for the year ended 30 April 2023.

Principal activity

The principal activity of the company remains as the original health spa pioneers, Champneys is still true to its innovative heritage. Established in 1925, it continues to enhance each guest's visit by breaking new ground in health and wellness in a welcoming, friendly environment and providing accessibility for all. With a combination of over 100 spa and beauty treatments, specialist treats, expert advice, informative talks, classes, medical services, nutritious food, spirituality and surroundings make Champneys the ultimate immersive and affordable health spa experience.

The company continues to invest in developing and maintaining its resort, spa and wellness offering to maintain its market leading position.

There have been no changes in the company's activities in the year under review.

Key performance indicators

The directors consider the following statistics as the principal KPIs of the business:

Total number of guests	2023: 49,237 (2022: 46,820)
Revenue per guest	2023: £225 (2022: £219)

Fair review of the business

The profit and loss account shows turnover for the year of £10,963,802 (2022: £10,554,842). The turnover has increased by 3.9% (2022: 344%).

The profit and loss account shows the profit before taxation of £1,322,753 (2022: £2,313,452).

The performance of the Company continued to be influenced by both global political and economic events. All appropriate measures have been put in place to recover from these events with a positive performance for the year.

The Company has prepared financial forecasts to consider alternative scenarios, as well as having on-going support from its banking/ funding partners to ensure it has sufficient financial resources to meet its liabilities.

CHAMPNEYS TRING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Principal risks and uncertainties

The hotel, resort and spa market remains highly competitive. During the year, direct competition from hotels with "spa facilities", local specialist spa facilities and indirect competition from the leisure industry were the main challenges facing the business.

Post year end the biggest challenge has continued to be both global, national, economic and political events which are still ongoing, in particular the rising price of energy.

Financial instruments

The financial instruments used by the company arise wholly and directly from its activities and comprise of debtors, cash at bank and creditors. The company regularly reviews its performance by producing monthly management accounts and closely reviewing them. The company regularly monitors the level of its debtors and creditors. Due to the nature of the financial instruments used by the company, there is minimal financial risk arising from these financial instruments.

The company has put in place the following measures in order to manage the risks arising from these financial instruments:

1. The company's credit risk is primarily attributable to agency bookings; all bookings made by individuals are paid for in advance. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements.
2. The company manages its cash position by regularly monitoring cash flow, using cash flow forecasting and variance analysis.
3. The financial risk arising from the possible non-advance of credit by the company's trade creditors, either by exceeding agreed credit limit or by not paying with the specified terms, is managed by regularly monitoring the trade balance and credit limit terms from all suppliers.

On behalf of the board

Mr S Purdew
Director

25 January 2024

CHAMPNEYS TRING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present their annual report and financial statements for the year ended 30 April 2023.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mrs D Purdew OBE

(Deceased 5 September 2023)

Mr S Purdew

Mr A Whiteley

It is with great sadness that we report that Dorothy Purdew OBE founder of the Champneys Health Spa Group passed away on 5th September 2023. She remained engaged, determined and passionate about the Champneys Spa family until the end. Indeed, she still enjoyed talking to guests and staff alike. The contribution of Dorothy Purdew to the UK Spa industry cannot be overestimated.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid.

Financial instruments

Treasury operations and financial instruments

The company is a subsidiary undertaking within the Champneys Henlow Limited Group. Cash funds of the Group are managed at a Group level.

Liquidity and interest rate risk

The company's arrangements with the Group ensure that in the event it has liquidity requirements above the level of cash generated from its on-going operations, it can access additional funds through Group funding. The Group's liquidity requirements and interest rate risks are managed at a Group level.

Foreign currency risk

The company's functional currency is Sterling and it also presents its financial statements in Sterling. The company's exposure to currency risk is minimal.

CHAMPNEYS TRING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

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 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 and then apply them consistently;
- make judgements 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 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr S Purdew
Director

25 January 2024

CHAMPNEYS TRING LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHAMPNEYS TRING LIMITED

Opinion

We have audited the financial statements of Champneys Tring Limited (the 'company') for the year ended 30 April 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 30 April 2023 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 *Auditor's 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 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 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 auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

CHAMPNEYS TRING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHAMPNEYS TRING LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

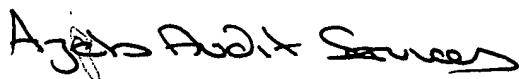
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- 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 bias and override of 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 indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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



James Leigh (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 29-01-2024

Chartered Accountants
Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

CHAMPNEYS TRING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHAMPNEYS TRING LIMITED

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, 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.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CHAMPNEYS TRING LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	2022 £
Turnover	3	10,963,802	10,554,842
Cost of sales		(1,653,788)	(1,528,820)
Gross profit		9,310,014	9,026,022
Administrative expenses		(8,152,249)	(6,912,705)
Other operating income		175,745	213,562
Operating profit	5	1,333,510	2,326,879
Interest payable and similar expenses	7	(10,757)	(13,427)
Profit before taxation		1,322,753	2,313,452
Tax on profit	8	(427,787)	(595,825)
Profit for the financial year		894,966	1,717,627
Other comprehensive income			
Revaluation of tangible fixed assets		-	12,951,035
Tax relating to other comprehensive income		-	(1,575,062)
Total comprehensive income for the year		894,966	13,093,600

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CHAMPNEYS TRING LIMITED

BALANCE SHEET

AS AT 30 APRIL 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9	46,470,163		47,182,063	
Investments	10	4,500		4,500	
		<u>46,474,663</u>		<u>47,186,563</u>	
Current assets					
Stocks	12	324,030		302,846	
Debtors	13	4,790,862		2,450,981	
Cash at bank and in hand		284,622		439,633	
		<u>5,399,514</u>		<u>3,193,460</u>	
Creditors: amounts falling due within one year	14	(10,943,537)		(10,729,741)	
Net current liabilities		<u>(5,544,023)</u>		<u>(7,536,281)</u>	
Total assets less current liabilities		<u>40,930,640</u>		<u>39,650,282</u>	
Creditors: amounts falling due after more than one year	15	(4,346,031)		(4,388,426)	
Provisions for liabilities					
Deferred tax liability	18	4,117,413		3,689,626	
		<u>(4,117,413)</u>		<u>(3,689,626)</u>	
Net assets		<u>32,467,196</u>		<u>31,572,230</u>	
Capital and reserves					
Called up share capital	20	14,079,610		14,079,610	
Share premium account		882,000		882,000	
Revaluation reserve		17,486,695		17,772,122	
Profit and loss reserves		18,891		(1,161,502)	
Total equity		<u>32,467,196</u>		<u>31,572,230</u>	

The financial statements were approved by the board of directors and authorised for issue on 25 January 2024 and are signed on its behalf by:

Mr S Purdew
Director

Company Registration No. 00474937

CHAMPNEYS TRING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2021	14,079,610	882,000	6,508,930	(2,991,910)	18,478,630
Year ended 30 April 2022:					
Profit for the year	-	-	-	1,717,627	1,717,627
Other comprehensive income:					
Revaluation of tangible fixed assets	-	-	12,951,035	-	12,951,035
Tax relating to other comprehensive income	-	-	(1,575,062)	-	(1,575,062)
Total comprehensive income for the year	-	-	11,375,973	1,717,627	13,093,600
Transfers	-	-	(112,781)	112,781	-
Balance at 30 April 2022	14,079,610	882,000	17,772,122	(1,161,502)	31,572,230
Year ended 30 April 2023:					
Profit and total comprehensive income for the year	-	-	-	894,966	894,966
Transfers	-	-	(285,427)	285,427	-
Balance at 30 April 2023	14,079,610	882,000	17,486,695	18,891	32,467,196

CHAMPNEYS TRING LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	26	706,758		1,164,070	
Interest paid		(10,757)		(13,427)	
Net cash inflow from operating activities		<u>696,001</u>		<u>1,150,643</u>	
Investing activities					
Purchase of tangible fixed assets		<u>(795,910)</u>		<u>(754,501)</u>	
Net cash used in investing activities		<u>(795,910)</u>		<u>(754,501)</u>	
Financing activities					
Payment of finance leases obligations		<u>(55,102)</u>		<u>(65,948)</u>	
Net cash used in financing activities		<u>(55,102)</u>		<u>(65,948)</u>	
Net (decrease)/increase in cash and cash equivalents		<u>(155,011)</u>		<u>330,194</u>	
Cash and cash equivalents at beginning of year		<u>439,633</u>		<u>109,439</u>	
Cash and cash equivalents at end of year		<u><u>284,622</u></u>		<u><u>439,633</u></u>	

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

Company information

Champneys Tring Limited is a private company limited by shares incorporated in England and Wales. The registered office can be found on the Company Information page.

1.1 Accounting convention

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

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

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Champneys Tring Limited is a wholly owned subsidiary of Maplesudden Limited and the results of Champneys Tring Limited are included in the consolidated financial statements of Champneys Henlow Limited, the ultimate parent company, which are available from its registered office.

1.2 Going concern

The balance sheet shows net current liabilities of £5,544,023 (2022: £7,536,281). The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future due to the continued financial support of the company's parent undertaking and other companies in the group. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover represents sales to customers for Spa treatments, fitness club membership, accommodation, food and beverages, retail and related services at invoiced amounts less value added tax.

Revenue from the sale of Spa treatments, accommodation and other related services is recognised when the service is provided and the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually at the point of sale), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Where cash is received in advance, revenue is deferred until goods and services are provided to the customer, upon which it is recognised in the profit and loss account.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

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

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

Freehold land and buildings	50 years straight line (Freehold land is not depreciated)
Fixtures and fittings	5 - 10 years straight line
Furniture and equipment	5 - 10 years straight line
Motor vehicles	5 years straight line

Assets are only depreciated once brought into use.

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

1.5 Impairment of fixed assets

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

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

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

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

1.6 Stocks

Stock represents cosmetics, toiletries, spa treatment materials, base stock, food and beverages, and is valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less costs of disposal. Where necessary, provisions are made for obsolete, slow-moving and defective stock.

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

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

1.7 Cash at bank and in hand

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

1.8 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment except where the effect of discounting would be immaterial. In such cases, the debtors are stated at cost less impairment losses for bad and doubtful debts.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company 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 control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities

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

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

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

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at 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 company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

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

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Current tax

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

Deferred tax

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

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

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year in which they are payable.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentive received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of tangible fixed assets

The directors determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Valuation of assets

Freehold land and buildings are held at value and are professionally valued on a sufficiently regular basis to ensure that the carrying amount does not differ materially from that which would be determined using fair value. They are valued using a yield methodology on EBITDA based on the returns investors are currently seeking from hotels and leisure properties. There is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful lives of tangible fixed assets

The cost of tangible fixed assets is depreciated over its useful economic life. Management estimates the useful lives of these tangible assets to vary. Changes in the expected level of usage and technological developments could impact on the useful economic lives and the residual values of these assets; therefore, future depreciation charges could be revised. The accounting policy of tangible fixed assets is described in note 1.4. The carrying amount of the company's tangible fixed assets in the balance sheet is disclosed in note 9 of the financial statements.

Impairment of trade debtors

The company reviews trade receivable balances for impairment and this is performed on a regular basis. Those balances which are considered to be recoverable remain in receivables and those which are not, are impaired and the impaired loss is recorded in the income statement. In making this judgement, the company evaluates, among other factors, the duration and the financial health of and short-term business outlook for the trade receivables, including factors such as industry and sector performance. The accounting policy of trade debtors is described in note 1.8. At the year end the carrying amount of trade debtors is stated in note 13.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends. The accounting policy of stocks is described in note 1.6. At the year end the carrying amount of stocks is stated in note 12.

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business		
Spa treatments, fitness club membership, accommodation, food and beverages and other income	10,963,802	10,554,842
	<u>10,963,802</u>	<u>10,554,842</u>
	2023 £	2022 £
Turnover analysed by geographical market		
United Kingdom	10,963,802	10,554,842
	<u>10,963,802</u>	<u>10,554,842</u>
	2023 £	2022 £
Other revenue		
Grants received	-	35,036
	<u>-</u>	<u>35,036</u>

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

4 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	11,275	10,250

5 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(35,036)
Depreciation of owned tangible fixed assets	1,484,828	1,386,823
Depreciation of tangible fixed assets held under finance leases	22,982	34,682
Operating lease income	(175,745)	(178,526)
Operating lease charges	64,080	124,685

6 Employees

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

	2023	2022
	Number	Number
Management	1	1
Administration	9	9
Operations	182	141
	192	151

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	2,860,740	2,618,050
Social security costs	208,748	190,930
Pension costs	35,142	34,134
	3,104,630	2,843,114

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

7 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,781	3,116
Other finance costs:		
Interest on finance leases and hire purchase contracts	6,976	10,311
	<u>10,757</u>	<u>13,427</u>

8 Taxation

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	427,787	269,827
Changes in tax rates	-	(83,233)
Previously unrecognised tax loss, tax credit or timing difference	-	409,231
Total deferred tax	<u>427,787</u>	<u>595,825</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	<u>1,322,753</u>	<u>2,313,452</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	251,323	439,556
Tax effect of utilisation of tax losses not previously recognised	(337,206)	(506,818)
Permanent capital allowances in excess of depreciation	(134,971)	(190,358)
Depreciation on assets not qualifying for tax allowances	286,484	270,086
Other adjustments	(65,630)	(12,466)
Deferred tax adjustments	427,787	595,825
Taxation charge for the year	<u>427,787</u>	<u>595,825</u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	-	1,575,062

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

9 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Furniture and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 May 2022	52,031,632	13,213,418	577,523	20,935	65,843,508
Additions	-	793,902	2,008	-	795,910
At 30 April 2023	52,031,632	14,007,320	579,531	20,935	66,639,418
Depreciation and impairment					
At 1 May 2022	9,293,937	8,794,708	568,613	4,187	18,661,445
Depreciation charged in the year	705,127	801,678	(3,182)	4,187	1,507,810
At 30 April 2023	9,999,064	9,596,386	565,431	8,374	20,169,255
Carrying amount					
At 30 April 2023	42,032,568	4,410,934	14,100	12,561	46,470,163
At 30 April 2022	42,737,695	4,418,710	8,910	16,748	47,182,063

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2023 £	2022 £
Fixtures and fittings	2,166	51,685
Motor vehicles	8,961	10,748
Furniture and equipment	133,905	165,273
	145,032	227,706

Tangible fixed assets with a carrying amount of £46,325,131 (2022: £46,954,357) have been pledged to secure borrowings of the group. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity until the relevant charge has been satisfied.

On 13 April 2022 freehold land and buildings were revalued to £42,737,695 by an independent valuer based on an existing use, open market value. The valuation conformed to professional standards issued by the Royal Institution of Chartered Surveyors and was based on an existing use basis. The net book value of freehold land and buildings as at 30 April 2022 was adjusted in respect of this valuation. Certain items of fixtures and fittings, furniture and equipment that were included in the independent valuation have not been revalued.

The directors believe that net book value of freehold land and buildings as at 30 April 2023 is a fair reflection of their open market value at that date.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

9 Tangible fixed assets

(Continued)

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	2023 £	2022 £
Cost	30,620,291	30,620,291
Accumulated depreciation	(9,431,791)	(9,012,092)
Carrying value	<u>21,188,500</u>	<u>21,608,199</u>

10 Fixed asset investments

	2023 £	2022 £
Unlisted investments	<u>4,500</u>	<u>4,500</u>

11 Subsidiaries

Details of the company's subsidiaries at 30 April 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
Champneys at Tring Healthshare Club Limited	England & Wales	Dormant	Ordinary	100.00
The Champneys International College Limited	England & Wales	Technical and vocational secondary education	Limited by guarantee	-

The company is the sole member of Champneys International College Limited, a company incorporated in the UK and limited by guarantee. As Champneys Tring Limited is able to exercise control over the operating policies of Champneys International College Limited, this company is considered to be a subsidiary of Champneys Tring Limited.

Champneys International College Limited is an educational establishment providing internationally acclaimed qualifications in beauty therapy.

12 Stocks

	2023 £	2022 £
Cosmetics, toiletries, spa treatment materials, food and beverages	<u>324,030</u>	<u>302,846</u>

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	125,698	108,057
Amounts owed by group undertakings	4,151,605	1,943,141
Other debtors	101,251	63,282
Prepayments and accrued income	412,308	336,501
	<u>4,790,862</u>	<u>2,450,981</u>

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	17	40,168	52,875
Trade creditors		913,106	698,305
Amounts owed to group undertakings		7,875,426	7,996,966
Taxation and social security		374,362	349,048
Other creditors		820,700	975,326
Accruals and deferred income		919,775	657,221
		<u>10,943,537</u>	<u>10,729,741</u>

15 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Obligations under finance leases	17	30,309	72,704
Other borrowings	16	4,315,722	4,315,722
		<u>4,346,031</u>	<u>4,388,426</u>

16 Loans and overdrafts

	2023 £	2022 £
Preference shares	<u>4,315,722</u>	<u>4,315,722</u>
Payable after one year	<u>4,315,722</u>	<u>4,315,722</u>

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

16 Loans and overdrafts

(Continued)

Preference shares classified as financial liabilities above of £4,315,722 (2022: £4,315,722) are treated as such in accordance with Section 11 'Basic Financial Instruments'. The holders of the redeemable preference shares have the right to receive notice of and speak at all general meetings of the company but may only vote if the proposed resolution attempts to reduce the benefits or rights related to the redeemable preference shares.

On winding up, assets available for distribution will be applied to the redeemable preference shareholders in priority to any payment made to ordinary shareholders.

The company has the option to redeem the shares at any time. The redemption of the redeemable preference shares at the request of the holder is at the discretion of the company.

Redeemable preference shares will earn a 0.01% cumulative dividend.

17 Finance lease obligations

	2023	2022
	£	£
Future minimum lease payments due under finance leases:		
Within one year	40,168	52,875
In two to five years	30,309	72,704
	<u>70,477</u>	<u>125,579</u>

Finance lease payments represent rentals payable by the company for certain items of fixtures and fittings. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The finance lease creditor is secured on the assets to which they relate.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023	Liabilities 2022
Balances:	£	£
Accelerated capital allowances	760,039	332,252
Revaluations	3,357,374	3,357,374
	<u>4,117,413</u>	<u>3,689,626</u>

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

18 Deferred taxation (Continued)

	2023 £
Movements in the year:	
Liability at 1 May 2022	3,689,626
Charge to profit or loss	427,787
Liability at 30 April 2023	<u>4,117,413</u>

19 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>35,142</u>	<u>34,134</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2023 £	2022 £
Ordinary share capital		
Issued and fully paid		
140,790,000 Ordinary shares of 10p each	14,079,000	14,079,000
610 Club shares of £1 each	610	610
	<u>14,079,610</u>	<u>14,079,610</u>

The holders of the Club shares have the right to receive notice of and speak at all general meetings of the company but may only vote where benefits enjoyed by the club shareholders are to be reduced.

On winding up, assets available for distribution will be applied to monies owed to club shareholders in priority to any payments to holders of any other class of shares.

Club shares may be redeemed at the option of the company at any time after the redeemable preference shares have been redeemed.

Club shares will earn an annual 5% fixed cumulative dividend.

21 Financial commitments, guarantees and contingent liabilities

The company is party to a cross guarantee for the bank borrowings of the group. The borrowings are secured by way of a fixed and floating charge over the assets of the company. At the year end the liabilities covered by these guarantees totalled £105,802,383 (2022: £96,975,000).

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

22 Operating lease commitments

Lessee

The operating leases represent leases of premises from third parties. The leases are negotiated over terms of ten to fifteen years and rentals are fixed for the duration. All leases include a provision for five-yearly to ten-yearly upward rent reviews according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	15,699	32,299

Lessor

The operating leases represent leases to third parties. The leases are negotiated over terms of three years and rentals are fixed for the duration. All leases include a provision for five-yearly upward rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2023 £	2022 £
Within one year	11,250	11,301

23 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023 £	2022 £
Acquisition of tangible fixed assets	149,001	233,145

24 Related party transactions

The company has taken advantage of the exemption available in FRS102 Section 33.1A "Related party disclosures" whereby it has not disclosed transactions with any other wholly owned subsidiary undertaking of the Champneys Henlow Limited group.

25 Ultimate controlling party

The company is a subsidiary of Maplesudden Limited. The ultimate parent company is Champneys Henlow Limited, a company incorporated in England and Wales.

The ultimate controlling party is the Purdew family.

The smallest and largest group that prepares group accounts and for which the company is a member is that headed by Champneys Henlow Limited. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

CHAMPNEYS TRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

26 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	894,966	1,717,627
Adjustments for:		
Taxation charged	427,787	595,825
Finance costs	10,757	13,427
Depreciation and impairment of tangible fixed assets	1,507,810	1,421,505
Movements in working capital:		
(Increase)/decrease in stocks	(21,184)	65,290
Increase in debtors	(2,339,881)	(800,876)
Increase/(decrease) in creditors	226,503	(1,848,728)
Cash generated from operations	706,758	1,164,070

27 Analysis of changes in net debt

	1 May 2022 £	Cash flows £	30 April 2023 £
Cash at bank and in hand	439,633	(155,011)	284,622
Borrowings excluding overdrafts	(4,315,722)	-	(4,315,722)
Obligations under finance leases	(125,579)	55,102	(70,477)
	(4,001,668)	(99,909)	(4,101,577)