

**Company Registration No. 00789512 (England and Wales)**

**Longleat Enterprises Limited**

**Annual report and  
group financial statements  
for the period ended 1 January 2019**



## **Longleat Enterprises Limited**

### **Company information**

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<b>Directors</b>	Viscount Weymouth Albemarle Cator Johan Eliasch Janie Schaffer
<b>Company number</b>	00789512
<b>Registered office</b>	Longleat Estate Office Longleat Warminster Wiltshire BA12 7NW
<b>Independent auditors</b>	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
<b>Tax advisers</b>	Smith & Williamson LLP Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG

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## **Longleat Enterprises Limited**

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## **Longleat Enterprises Limited**

### **Strategic report**

**For the period ended 1 January 2019**

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The directors of Longleat Enterprises Limited ("Longleat" or "LEL") present their strategic report for the year ended 1 January 2019.

#### **Fair review of the business**

- During 2018 Longleat sold 2 hotels which were identified as non-core to the long-term strategy of the business. Bishopstrow Hotel & Spa was sold on 14<sup>th</sup> February 2018 and Homewood Park Hotel completed on 1<sup>st</sup> August 2018.
- The position of the balance sheet has strengthened as a result of becoming long-term debt free following the release of the charge over Bishopstrow Hotel & Spa as well as settling the historic EBT scheme.
- The business has also taken the opportunity during 2018 to clear other non-value adding assets from the balance sheet.
- A full review of the business organization, operations and how it's structured has also been completed, with Ceawlin Weymouth undertaking the role of Chief Executive since September 2018. This has led a management restructure which has been implemented in early 2019.
- Longleat has also invested for 2019 in a new koala and wombat facility which provides the first European habitat for southern koalas. This means that Longleat will be the European hub for International Koala Centre of Excellence, based in Adelaide, whose aims are to ensure the conservation of Australia's best loved species in the hope of securing its long term future in the wild.

The Executive Chairman of Longleat Enterprises Limited, Ceawlin Weymouth, commented;

"We have undertaken a fundamental restructure to ensure the strongest platform for our future plans and growth. 2018 was a challenging year with a number of factors impacting the core trading business, particularly extremes of weather and the prevailing economic uncertainty. However, the reported result demonstrates that the underlying businesses at both Longleat Park and Cheddar Gorge are strong, with the YTD 2019 result representing the strongest on record. The business is responding positively & rapidly to the restructure, aided by the introduction of our exciting new species; southern koalas."

## **Longleat Enterprises Limited**

### **Strategic report (continued)**

**For the period ended 1 January 2019**

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#### **Principal risks and uncertainties**

There are a number of risks and uncertainties that face the business, and to this end there is a risk management strategy in place which is reviewed regularly and reports to the board at least annually. The strategy assesses and categorises the risks and uncertainties to which the business is exposed and details risk reduction actions and remedies.

The group has risk policies and committees/working parties to cover health and safety along with animal and staff welfare.

#### **Credit risk**

LEL takes care in approving credit worthiness of major new credit customers, and existing relationships are periodically reviewed.

#### **Liquidity**

LEL seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

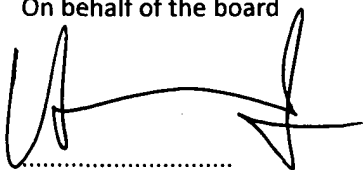
#### **Interest rate risk**

The sole borrowings of the group related to the acquisition of the Bishopstrow Hotel & Spa. During 2018 the Hotel was sold and the loan has subsequently been fully repaid.

#### **Key performance indicators**

The key performance indicators of the tourist attraction side of the business include visitor numbers, turnover per visitor, turnover per employee and guest satisfaction scores. The key performance indicators for the hotels side of the business include occupancy rates, average room rate, revenue per available room and spend per head.

On behalf of the board



.....  
Viscount Weymouth

Director

30/9/19.....

## **Longleat Enterprises Limited**

### **Directors' report**

**For the period ended 1 January 2019**

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The directors present their annual report and financial statements for the period ended 1 January 2019.

#### **Principal activities**

The principal activity of the company continued to be that of the management of tourist attractions at Longleat, cave exhibiting at Cheddar Gorge and management of subsidiary companies whose principal activities are that of hotel operators and public house. During the year the group ceased its operations relating to its high end hotels.

#### **Directors**

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

Viscount Weymouth

Albemarle Cator

Robert Montgomery

(Resigned 21 February 2019)

Johan Eliasch

Janie Schaffer

#### **Results and dividends**

The results for the period are set out on page 9.

The directors recommend that no dividend be paid for the year (2017: £nil)

The net profit for the year of £291,668 is to be transferred to the reserves (2017: net loss of £442,568)

The directors' report does not include a fair review of the business, details of the risks and uncertainties and future developments, as this information is documented within the Strategic Report as required under s414C (11).

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The company's policy is to consult and discuss with employees, through staff councils and at meetings, matters likely to affect employees' interests. Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

**Future developments**

Sustained reinvestment continues across the existing business into 2019 and beyond in order to enhance the visitor experience, increase visitor numbers and profitability, and maintain both Longleat and Cheddar Gorge as high-class visitor attraction destinations. Beyond that, the management also continue to seek and identify further opportunities to expand the business from the core UK operation.

**Auditor**

Saffery Champness have expressed their willingness to remain in office as auditors of Longleat Enterprises Limited.

**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 group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. 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 group and parent company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 group and parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent 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 group and parent 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 auditors are 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 auditors are aware of that information.

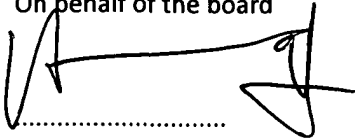
**Longleat Enterprises Limited**

**Directors' report (continued)**

**For the period ended 1 January 2019**

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On behalf of the board



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Viscount Weymouth

**Director**

Date: 30/09/2019



## **Longleat Enterprises Limited**

### **Independent auditor's report**

#### **To the members of Longleat Enterprises Limited**

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#### **Opinion**

We have audited the financial statements of Longleat Enterprises Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 1 January 2019 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 1 January 2019 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Longleat Enterprises Limited**

### **Independent auditor's report (continued)**

#### **To the members of Longleat Enterprises Limited**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report 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 period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

**Longleat Enterprises Limited**

**Independent auditor's report (continued)**

**To the members of Longleat Enterprises Limited**

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**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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**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 for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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

*Saffery Champness LLP*

Neil Davies (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

30/09/2019

Chartered Accountants  
Statutory Auditors

St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

Longleat Enterprises Limited

Group statement of comprehensive income  
For the period ended 1 January 2019

				Period ended			Period ended
		Continuing operations	Discontinued operations	1 January 2019	Continuing operations	Discontinued operations	2 January 2018
	Notes	£	£	£	£	£	£
Turnover	3	26,601,138	1,050,134	27,651,272	26,811,546	4,704,340	31,515,886
Cost of sales		(8,868,702)	(295,085)	(9,163,787)	(8,516,453)	(1,171,897)	(9,688,350)
<b>Gross profit</b>		<b>17,732,436</b>	<b>755,049</b>	<b>18,487,485</b>	<b>18,295,093</b>	<b>3,532,443</b>	<b>21,827,536</b>
Administrative expenses		(17,798,065)	(1,328,688)	(19,126,753)	(16,608,102)	(3,290,333)	(19,898,435)
Other operating income	3	851,811	-	851,811	907,624	-	907,624
Exceptional items	4	(965,814)	-	(965,814)	-	-	-
<b>Operating (loss)/profit</b>	<b>5</b>	<b>(179,632)</b>	<b>(573,639)</b>	<b>(753,271)</b>	<b>2,594,615</b>	<b>242,110</b>	<b>2,836,725</b>
Interest receivable and similar income	9	-	-	-	13,592	-	13,592
Interest payable and similar expenses	10	(89,725)	(9,936)	(99,661)	(182,129)	(82,811)	(264,940)
Non-operating expenses	11	(1,973,112)	-	(1,973,112)	-	(1,095,969)	(1,095,969)
Profit/(loss) on disposal of operations	12	-	1,504,431	1,504,431	-	-	-
<b>(Loss)/profit before taxation</b>		<b>(2,242,469)</b>	<b>920,856</b>	<b>(1,321,613)</b>	<b>2,426,078</b>	<b>(936,670)</b>	<b>1,489,408</b>
Tax on (loss)/profit	13	1,178,465	111,253	1,289,718	(1,868,341)	(63,635)	(1,931,976)
<b>Loss for the financial period</b>		<b>(1,064,004)</b>	<b>1,032,109</b>	<b>(31,895)</b>	<b>557,737</b>	<b>(1,000,305)</b>	<b>(442,568)</b>

Total comprehensive income for the period is all attributable to the owners of the parent company.

**Longleat Enterprises Limited**

**Group statement of financial position**

**As at 1 January 2019**

		<b>As at 1 January 2019</b>		<b>As at 2 January 2018</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Intangible assets	<b>14</b>	-		18,590	
Tangible assets	<b>15</b>	17,169,016		23,333,497	
Investment properties	<b>16</b>	1,865,000		1,865,000	
Investments	<b>17</b>	23,001		23,001	
		<u>19,057,017</u>		<u>25,240,088</u>	
<b>Current assets</b>					
Stocks	<b>19</b>	598,857		649,328	
Debtors	<b>20</b>	2,950,436		5,673,370	
Cash at bank and in hand		6,084,469		5,704,985	
		<u>9,633,762</u>		<u>12,027,683</u>	
<b>Creditors: amounts falling due within one year</b>	<b>21</b>	<u>(6,548,520)</u>		<u>(8,040,225)</u>	
<b>Net current assets</b>		<u>3,085,242</u>		<u>3,987,458</u>	
<b>Total assets less current liabilities</b>		<u>22,142,259</u>		<u>29,227,546</u>	
<b>Creditors: amounts falling due after more than one year</b>	<b>22</b>	-		(6,710,074)	
<b>Provisions for liabilities</b>	<b>24</b>	(230,838)		(574,156)	
<b>Net assets</b>		<u>21,911,421</u>		<u>21,943,316</u>	
<b>Capital and reserves</b>					
Called up share capital	<b>26</b>	7,021,074		7,021,074	
Share premium account	<b>27</b>	900,000		900,000	
Revaluation reserve	<b>28</b>	1,308,079		1,308,079	
Capital redemption reserve	<b>29</b>	2,988,926		2,988,926	
Profit and loss reserves		9,693,342		9,725,237	
<b>Total equity</b>		<u>21,911,421</u>		<u>21,943,316</u>	

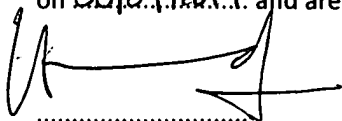
**Longleat Enterprises Limited**

**Group statement of financial position (continued)**

**As at 1 January 2019**

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The financial statements were approved by the board of directors and authorised for issue on ~~30/09/2019~~ and are signed on its behalf by:



.....  
Viscount Weymouth  
Director

**Company Registration No. 00789512**

**Longleat Enterprises Limited**

**Company statement of financial position**

**As at 1 January 2019**

			<b>As at 1 January 2019</b>	<b>As at 2 January 2018</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>				
Intangible assets	<b>14</b>	-	-	18,590
Tangible assets	<b>15</b>	16,827,638	16,827,638	16,180,588
Investment properties	<b>16</b>	1,865,000	1,865,000	1,865,000
Investments	<b>17</b>	184,101	184,101	1,849,101
			<u>18,876,739</u>	<u>19,913,279</u>
<b>Current assets</b>				
Stocks	<b>19</b>	580,606	560,264	
Debtors	<b>20</b>	3,404,335	6,613,116	
Cash at bank and in hand		5,652,603	5,002,138	
		<u>9,637,544</u>	<u>12,175,518</u>	
<b>Creditors: amounts falling due within one year</b>	<b>21</b>	<u>(6,325,212)</u>	<u>(6,630,173)</u>	
<b>Net current assets</b>			<u>3,312,332</u>	<u>5,545,345</u>
<b>Total assets less current liabilities</b>			<u>22,189,071</u>	<u>25,458,624</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>22</b>	-	-	(3,081,665)
<b>Provisions for liabilities</b>	<b>24</b>	(220,513)	(220,513)	(458,538)
<b>Net assets</b>			<u>21,968,558</u>	<u>21,918,421</u>
<b>Capital and reserves</b>				
Called up share capital	<b>26</b>	7,021,074	7,021,074	7,021,074
Share premium account	<b>27</b>	900,000	900,000	900,000
Revaluation reserve	<b>28</b>	1,308,079	1,308,079	1,308,079
Capital redemption reserve	<b>29</b>	2,988,926	2,988,926	2,988,926
Profit and loss reserves		9,750,479	9,750,479	9,700,342
<b>Total equity</b>			<u>21,968,558</u>	<u>21,918,421</u>

**Longleat Enterprises Limited**

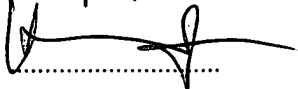
**Company statement of financial position (continued)**

**As at 1 January 2019**

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As permitted by section 408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The parent company's net profit for the year was £50,137 (2017: net loss of £440,806).

The financial statements were approved by the board of directors and authorised for issue on 30/09/2019 and are signed on its behalf by:



Viscount Weymouth

**Director**

**Company Registration No. 00789512**



**Longleat Enterprises Limited**

**Group statement of changes in equity  
For the period ended 1 January 2019**

	Share capital £	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2017</b>	7,021,074	900,000	1,308,079	2,988,926	10,167,805	22,385,884
<b>Period ended 2 January 2018:</b>						
Loss and total comprehensive income for the period	-	-	-	-	(442,568)	(442,568)
<b>Balance at 2 January 2018</b>	7,021,074	900,000	1,308,079	2,988,926	9,725,237	21,943,316
<b>Period ended 1 January 2019:</b>						
Loss and total comprehensive income for the period	-	-	-	-	(31,895)	(31,895)
<b>Balance at 1 January 2019</b>	7,021,074	900,000	1,308,079	2,988,926	9,693,342	21,911,421

**Longleat Enterprises Limited**

**Company statement of changes in equity  
For the period ended 1 January 2019**

	Share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£	£
<b>Balance at 1 January 2017</b>	7,021,074	900,000	1,308,079	2,988,926	10,141,148	22,359,227
<b>Period ended 2 January 2018:</b>						
Loss and total comprehensive income for the period	-	-	-	-	(440,806)	(440,806)
<b>Balance at 2 January 2018</b>	7,021,074	900,000	1,308,079	2,988,926	9,700,342	21,918,421
<b>Period ended 1 January 2019:</b>						
Profit and total comprehensive income for the period	-	-	-	-	50,137	50,137
<b>Balance at 1 January 2019</b>	7,021,074	900,000	1,308,079	2,988,926	9,750,479	21,968,558

**Longleat Enterprises Limited**

**Group statement of cash flows**

**For the period ended 1 January 2019**

	Notes	£	2018 £	£	2017 £
<b>Cash flows from operating activities</b>					
Cash generated from operations	34		3,241,530		3,843,854
Interest paid			(9,936)		(83,063)
Income taxes paid			(545,966)		(1,958,044)
<b>Net cash inflow from operating activities</b>			<b>2,685,628</b>		<b>1,802,747</b>
<b>Investing activities</b>					
Proceeds of disposal of business		8,421,796		-	
Purchase of tangible fixed assets		(3,714,798)		(2,186,289)	
Proceeds on disposal of tangible fixed assets		10,392		22,726	
Proceeds on disposal of investment property		-		240,086	
Interest received		-		13,592	
<b>Net cash generated from/(used in) investing activities</b>			<b>4,717,390</b>		<b>(1,909,885)</b>
<b>Financing activities</b>					
Repayment of borrowings		(3,081,665)		-	
Repayment of bank loans		(3,941,869)		(467,239)	
<b>Net cash used in financing activities</b>			<b>(7,023,534)</b>		<b>(467,239)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>379,484</b>		<b>(574,377)</b>
Cash and cash equivalents at beginning of period			5,704,985		6,279,362
<b>Cash and cash equivalents at end of period</b>			<b>6,084,469</b>		<b>5,704,985</b>

**1 Accounting policies**

**Company information**

Longleat Enterprises Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is Longleat Estate Office, Longleat, Warminster, Wiltshire, BA12 7NW.

The group consists of Longleat Enterprises Limited and all of its subsidiaries.

**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 £1.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

**1.2 Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to ended 1 January each year. The results of subsidiaries acquired or sold are included in the profit and loss account up to, or from the date control passes. Where a subsidiary has difference accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing consolidated financial statements. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The subsidiaries results were reported to 31 December 2018. The directors do not believe that the difference in reporting date is material to the financial statements.

**1.3 Going concern**

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Turnover**

Revenue from retail sales is recognised at the date of sale, net of VAT.

Rental income received under operating leases is recognised in the profit and loss account over the term of the underlying lease.

Turnover derived from the hotel trading companies represents revenue from room sales, food and beverage, spa treatments, spa retail and other sundry sales net of VAT and trade discounts. The income is recognised in the profit and loss account when it is receivable.

**1 Accounting policies (continued)**

**1.5 Intangible fixed assets**

Licences are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over the estimated useful lives of the licences.

**1.6 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:

Land and buildings freehold	2 - 20% on cost
Land and buildings leasehold	2 - 14% on cost
Plant and machinery	10 - 20% on cost
Fixtures, fittings & equipment	5 - 33.3% on cost
Motor vehicles	10 - 20% on cost
Animals	10% on cost

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 recognised in the income statement.

The directors have reviewed the assets held by Longleat Enterprises Limited and are of the opinion that the works of art and similar assets are not maintained principally for their contribution to knowledge and culture, but do further the commercial and enterprise of the company. For this reason they are accounted for as Tangible Fixed Assets under section 17 of FRS 102.

Natural mazes are depreciated over 20 years from the date they are brought into use.

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

**1.8 Fixed asset investments**

In the parent company financial statements, investments in subsidiaries and unlisted investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

**1 Accounting policies (continued)**

**1.9 Impairment of fixed assets**

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible 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.

**1.10 Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.11 Cash and cash equivalents**

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

**1.12 Financial instruments**

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

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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, 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.

**1 Accounting policies (continued)**

***Impairment of financial assets***

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

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

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

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but 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 group 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.

***Derecognition of financial liabilities***

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

**1.13 Equity instruments**

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

**1 Accounting policies (continued)**

**1.14 Taxation**

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

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 group'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 taxation is provided in full respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

**1.15 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.

**1.16 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.17 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives 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 lease asset are consumed.

**1.18 Government grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.



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**2 Critical accounting judgements and key sources of estimation uncertainty**

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

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

In preparing these financial statements the directors have made the following significant judgements and estimates. Income from sales of Longleat Annual Passes is recognised in full at the time of sale, as the directors are satisfied that there is only minimal costs associated with each on-going visit by the Annual Pass holder. This situation is reviewed at each year end.

**3 Turnover and other revenue**

An analysis of the group's turnover is as follows:

	2018 £	2017 £
<b>Turnover</b>		
Attractions and leisure	25,714,473	25,930,169
Hotels	1,936,799	5,585,717
	<u>27,651,272</u>	<u>31,515,886</u>
 <b>Other significant income</b>		
Grants received	76,083	53,735
Rental income	135,421	143,115
Management fees	564,699	569,789
Sundry income	75,608	140,985
	<u>771,810</u>	<u>807,624</u>

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Grants received were related to the groups stewardship of the natural environment. There are no significant contingencies attached.

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019**

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<b>4</b>	<b>Exceptional costs</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Discretionary payment to the Longleat Employment Benefit Trust	965,814	-
		<u>          </u>	<u>          </u>

During the year the company made discretionary bonus payments to former directors. These costs are not anticipated to re-occur.

<b>5</b>	<b>Operating (loss)/profit</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Operating (loss)/profit for the period is stated after charging/(crediting):		
	Government grants	(76,083)	(53,735)
	Depreciation of owned tangible fixed assets	2,567,935	2,603,381
	Loss/(profit) on disposal of tangible fixed assets	383,587	(22,726)
	(Profit)/loss on disposal of investment property	-	59,914
	Loss on disposal of intangible assets	18,590	-
	Cost of stocks recognised as an expense	3,441,258	4,360,801
	Operating lease charges	1,447,654	1,330,730
		<u>          </u>	<u>          </u>

<b>6</b>	<b>Auditor's remuneration</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Fees payable to the company's auditor and associates:		
	<b>For audit services</b>		
	Audit of the financial statements of the group and company	29,050	24,700
	Audit of the financial statements of the company's subsidiaries	13,000	26,800
		<u>          </u>	<u>          </u>
		42,050	51,500
		<u>          </u>	<u>          </u>

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019****7 Employees**

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

	<b>Group 2018 Number</b>	<b>2017 Number</b>	<b>Company 2018 Number</b>	<b>2017 Number</b>
In trading activities	574	641	498	498
In administration	66	68	66	62
	<u>640</u>	<u>709</u>	<u>564</u>	<u>560</u>

Their aggregate remuneration comprised:

	<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
Wages and salaries	9,863,348	10,678,065	8,963,453	8,587,270
Social security costs	700,522	789,160	640,682	645,540
Pension costs	319,064	305,746	296,582	256,947
	<u>10,882,934</u>	<u>11,772,971</u>	<u>9,900,717</u>	<u>9,489,757</u>

Redundancy payments in the year amounted to £nil (2017 - £60,779).

**8 Directors' remuneration**

	<b>2018 £</b>	<b>2017 £</b>
Remuneration for qualifying services	351,424	497,326
Company pension contributions to defined contribution schemes	9,946	13,145
	<u>361,370</u>	<u>510,471</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

During the year, a discretionary bonus was paid to former directors. Information on this is included in note 4.

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019****8 Directors' remuneration (continued)**

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	260,374	317,326
Company pension contributions to defined contribution schemes	9,946	13,145
	<u>260,374</u>	<u>317,326</u>

The directors are considered to be the key management personnel.

**9 Interest receivable and similar income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	-	13,592
	<u>-</u>	<u>13,592</u>

**10 Interest payable and similar expenses**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	9,936	83,063
Other interest	89,725	181,877
	<u>99,661</u>	<u>264,940</u>

## Longleat Enterprises Limited

### Notes to the financial statements (continued)

For the period ended 1 January 2019

#### 11 Non-operating expenses

	2018	2017
	£	£
Costs of strategic projects	1,973,112	-
Impairment of tangible fixed assets	-	1,095,969
	<u>1,973,112</u>	<u>1,095,969</u>

During the year the company recognised costs related to several strategic projects that were no longer considered viable. At the start of the period £1,418,307 of these costs were held in the balance sheet of the group and company.

Before the previous signing date, the parent entity has entered into an agreement to sell the trade and assets of Longleat Homewood Park Limited. As the fair value of consideration, negotiated at an arms length, was materially lower than the net assets of the entity, an impairment was made to land and buildings as the directors believe that this is representative of the net realisable value at the balance sheet date.

#### 12 Discontinued operations

During the year the group sold the trade and assets held by Longleat Bishopstrow Limited and Longleat Homewood Park Limited, discontinuing its high end hotel operations. The transactions were effected to allow the group to focus on its core activities and were completed on 14 February 2018 and 1 August 2018 respectively. These transactions generated a net gain of £1,504,431, being the proceeds of the sale less the carrying amount of the business assets. The corresponding amounts have been classified and restated in the profit and loss as discontinued operations for the period ended 2 January 2018.

#### 13 Taxation

	2018	2017
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	721,678
Adjustments in respect of prior periods	(993)	1,077,405
Total current tax	<u>(993)</u>	<u>1,799,083</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(1,288,725)</u>	<u>132,893</u>
Total tax (credit)/charge	<u>(1,289,718)</u>	<u>1,931,976</u>

No tax arose in relation to either the discontinued operations or the disposal as any tax charge was offset against group losses.

**Longleat Enterprises Limited****Notes to the financial statements (continued)**  
**For the period ended 1 January 2019****13 Taxation (continued)**

The applicable tax rate has been updated in line with changes in UK tax legislation. The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(1,321,613)	1,489,408
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.25%)	(251,106)	286,711
Tax effect of expenses that are not deductible in determining taxable profit	120,044	16,528
Change in unrecognised deferred tax assets	210,979	-
Adjustments in respect of prior years	(1)	(11,364)
Permanent capital allowances in excess of depreciation	(589,167)	-
Depreciation on assets not qualifying for tax allowances	14,208	274,904
Other non-reversing timing differences	-	251,373
Change in rate applied to deferred tax	173,805	(5,514)
Exceptional tax cost	-	1,088,408
Chargeable gains	138,650	30,930
Other adjustments	(1,107,130)	-
Taxation (credit)/charge	(1,289,718)	1,931,976

Other tax adjustments related to the tax relief obtained from the settlement of an Employment Benefit Trust during the period.

Included in the tax charge for the prior period was an exceptional tax charge in settlement of a HMRC enquiry in relation to its tax affairs.

As at the period end date the the group had unrelieved tax losses totalling £5,561,160 (2017: £nil) which are available for use against future trading profits.

**Longleat Enterprises Limited**

**Notes to the financial statements (continued)**  
**For the period ended 1 January 2019**

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**14 Intangible fixed assets**

<b>Group and Company</b>	<b>Licenses £</b>
<b>Cost</b>	
At 3 January 2018	18,590
Disposals	(18,590)
	<hr/>
At 1 January 2019	-
	<hr/>
<b>Amortisation and impairment</b>	
At 3 January 2018 and 1 January 2019	-
	<hr/>
<b>Carrying amount</b>	
At 01 January 2019	-
	<hr/>
At 02 January 2018	18,590
	<hr/>

Longleat Enterprises Limited

Notes to the financial statements (continued)  
For the period ended 1 January 2019

15 Tangible fixed assets

Group	Land and buildings freehold £	Land and buildings leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Animals £	Total £
<b>Cost</b>							
At 3 January 2018	10,870,854	21,536,720	6,957,914	6,652,282	1,865,342	300,659	48,183,771
Additions	13,813	3,213,973	320,482	109,380	57,150	-	3,714,798
Disposals	(8,345,212)	(2,309,608)	(961,312)	(1,583,618)	(92,377)	-	(13,292,127)
At 1 January 2019	2,539,455	22,441,085	6,317,084	5,178,044	1,830,115	300,659	38,606,442
<b>Depreciation and impairment</b>							
At 3 January 2018	3,614,913	8,678,683	5,153,348	5,866,718	1,326,139	210,473	24,850,274
Depreciation charged in the period	95,673	1,604,313	557,997	116,327	163,499	30,126	2,567,935
Eliminated in respect of disposals	(2,366,374)	(1,066,630)	(925,121)	(1,532,830)	(89,828)	-	(5,980,783)
At 1 January 2019	1,344,212	9,216,366	4,786,224	4,450,215	1,399,810	240,599	21,437,426
<b>Carrying amount</b>							
At 1 January 2019	1,195,243	13,224,719	1,530,860	727,829	430,305	60,060	17,169,016
At 2 January 2018	7,255,941	12,858,037	1,804,566	785,564	539,203	90,186	23,333,497



Longleat Enterprises Limited

Notes to the financial statements (continued)  
For the period ended 1 January 2019

15 Tangible fixed assets (continued)

Company	Land and buildings freehold £	Land and buildings leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Animals £	Total £
<b>Cost</b>							
At 3 January 2018	2,702,542	20,432,037	6,478,008	6,110,023	1,865,342	300,659	37,888,611
Additions	13,813	3,115,392	240,808	109,380	57,150	-	3,536,543
Disposals	(257,038)	(1,360,545)	(512,067)	(1,079,334)	(92,377)	-	(3,301,361)
At 1 January 2019	2,459,317	22,186,884	6,206,749	5,140,069	1,830,115	300,659	38,123,793
<b>Depreciation and impairment</b>							
At 3 January 2018	1,466,505	8,581,168	4,710,516	5,413,222	1,326,139	210,473	21,708,023
Depreciation charged in the period	54,606	1,593,132	537,824	116,327	163,499	30,126	2,495,514
Eliminated in respect of disposals	(257,038)	(969,115)	(512,067)	(1,079,334)	(89,828)	-	(2,907,382)
At 1 January 2019	1,264,073	9,205,185	4,736,273	4,450,215	1,399,810	240,599	21,296,155
<b>Carrying amount</b>							
At 1 January 2019	1,195,244	12,981,699	1,470,476	689,854	430,305	60,060	16,827,638
At 2 January 2018	1,236,037	11,850,869	1,767,492	696,801	539,203	90,186	16,180,588

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019****16 Investment property**

	<b>Group 2018 £</b>	<b>Company 2018 £</b>
<b>Fair value</b>		
At 3 January 2018 and 1 January 2019	1,865,000	1,865,000

Investment property comprises of various properties owned by Longleat Enterprises Limited which are now primarily held to earn rentals and for capital appreciation.

The fair value of the investment properties have been arrived at on the basis of valuations carried out by Colliers International Valuation UK LLP, Annagram Estates Ltd and Michael Birnie depending on the size and complexity of the property valued. All independent valuers are MRICS or MARLA qualified and have been deemed to be sufficiently competent to value each specific property.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The most recent full external valuation took place between March and July 2016 and the directors are of the opinion that this is reflective of the fair value at 1 January 2019.

If the assets were valued at historical cost, they would hold a cost value of £613,908 (2017: £613,908) and a net book value of £407,295 (2017: £419,573).

**17 Fixed asset investments**

		<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
	<b>Notes</b>				
Investments in subsidiaries	<b>32</b>	-	-	161,100	1,826,100
Unlisted investments		23,001	23,001	23,001	23,001
		<u>23,001</u>	<u>23,001</u>	<u>184,101</u>	<u>1,849,101</u>

During the period two of the company's subsidiaries, Longleat Bishopstrow Limited and Longleat Homewood Park Limited, both sold their trade and assets. The directors of the two subsidiaries intend that these entities will no longer trade. As a result of this the directors of the company have taken the decision to impair the investment in the subsidiaries down to their deemed recoverable amount.

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019****17 Fixed asset investments (continued)****Movements in fixed asset investments**

<b>Group</b>	<b>Shares £</b>
<b>Cost or valuation</b>	
At 3 January 2018 and 1 January 2019	23,001
<b>Carrying amount</b>	
At 1 January 2019	23,001
At 2 January 2018	23,001

**Movements in fixed asset investments**

<b>Company</b>	<b>Shares £</b>
<b>Cost or valuation</b>	
At 3 January 2018 and 1 January 2019	2,974,101
<b>Impairment</b>	
At 3 January 2018	1,125,000
Impairment losses	1,665,000
At 1 January 2019	2,790,000
<b>Carrying amount</b>	
At 1 January 2019	184,101
At 2 January 2018	1,849,101

**Longleat Enterprises Limited**

**Notes to the financial statements (continued)**

**For the period ended 1 January 2019**

**18 Financial instruments**

	<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	989,661	3,280,884	n/a	n/a
Equity instruments measured at cost less impairment	23,001	23,001	n/a	n/a
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	5,419,950	13,086,449	n/a	n/a

As permitted by the reduced disclosure framework within FRS 102, the company has taken advantage of the exemption from disclosing the carrying amount of certain classes of financial instruments, denoted by 'n/a' above.

**19 Stocks**

	<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
Finished goods and goods for resale	598,857	649,328	580,606	560,264

**20 Debtors**

	<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	355,861	906,537	354,422	803,769
Corporation tax recoverable	185,631	-	185,631	-
Amounts owed by group undertakings	-	-	539,233	1,293,626
Amounts owed by related parties	263,744	1,769,172	263,744	1,769,172
Other debtors	391,830	605,175	363,099	544,422
Prepayments and accrued income	807,973	2,392,486	789,784	2,202,127
	2,005,039	5,673,370	2,495,913	6,613,116
Deferred tax asset (note 24)	945,397	-	908,422	-
	2,950,436	5,673,370	3,404,335	6,613,116

**Longleat Enterprises Limited**

**Notes to the financial statements (continued)**

**For the period ended 1 January 2019**

**21 Creditors: amounts falling due within one year**

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank loans and overdrafts	23	-	313,460	-	-
Trade creditors		2,304,230	2,930,393	2,237,040	2,654,208
Amounts owed to related parties		184,894	-	184,894	-
Corporation tax payable		-	361,338	-	322,215
Other taxation and social security		689,680	956,808	659,567	794,777
Other creditors		69,474	246,526	41,962	35,072
Accruals and deferred income		3,300,242	3,231,700	3,201,749	2,823,901
		<u>6,548,520</u>	<u>8,040,225</u>	<u>6,325,212</u>	<u>6,630,173</u>

Barclays Bank plc have a standard letter of set off in place for a bank overdraft facility that was not in use at the period end date.

**22 Creditors: amounts falling due after more than one year**

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Loans and overdrafts	23	-	6,710,074	-	3,081,665
		<u>-</u>	<u>6,710,074</u>	<u>-</u>	<u>3,081,665</u>

**23 Loans and overdrafts**

	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank loans	-	3,941,869	-	-
Other loans	-	3,081,665	-	3,081,665
	<u>-</u>	<u>7,023,534</u>	<u>-</u>	<u>3,081,665</u>
Payable within one year	-	313,460	-	-
Payable after one year	-	6,710,074	-	3,081,665
	<u>-</u>	<u>6,710,074</u>	<u>-</u>	<u>3,081,665</u>

**Longleat Enterprises Limited**

**Notes to the financial statements (continued)**

**For the period ended 1 January 2019**

**24 Deferred taxation**

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities 2018 £</b>	<b>Liabilities 2017 £</b>	<b>Assets 2018 £</b>	<b>Assets 2017 £</b>
<b>Group</b>				
ACAs	72,808	416,126	-	-
Tax losses	-	-	945,397	-
Fair value increases on investment property	158,030	158,030	-	-
	<u>230,838</u>	<u>574,156</u>	<u>945,397</u>	<u>-</u>
	<b>Liabilities 2018 £</b>	<b>Liabilities 2017 £</b>	<b>Assets 2018 £</b>	<b>Assets 2017 £</b>
<b>Company</b>				
ACAs	62,483	300,508	-	-
Tax losses	-	-	908,422	-
Fair value increases on investment property	158,030	158,030	-	-
	<u>220,513</u>	<u>458,538</u>	<u>908,422</u>	<u>-</u>
			<b>Group 2018 £</b>	<b>Company 2018 £</b>
<b>Movements in the period:</b>				
Liability at 3 January 2018			574,156	458,538
Credit to profit or loss			(1,288,715)	(1,146,447)
Liability/(asset) at 1 January 2019			<u>(714,559)</u>	<u>(687,909)</u>

The deferred tax liability set out above is expected to reverse in future accounting periods.

**Longleat Enterprises Limited****Notes to the financial statements (continued)****For the period ended 1 January 2019****25 Retirement benefit schemes**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	319,064	305,746

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**26 Share capital**

	<b>Group and company</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
310,000 Ordinary shares of £1 each	310,000	310,000
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
6,711,074 Preference shares of £1 each	6,711,074	6,711,074

The ordinary shares rank pari passu and confer the right to vote, participate in dividends and other distributions upon a winding up.

The preference shares are redeemable at the discretion of the company. There are no set premiums on redemption and they can be redeemed on any date notified by the company. The shares are also non-voting and non-cumulative.

**27 Share premium account**

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium.

**28 Revaluation reserve**

The revaluation reserve includes all fair value gains recognised on investment properties, net of deferred tax.

**29 Capital redemption reserve**

Following a redemption of preference shares in the year a capital redemption reserve has been recognised to ensure compliance with section 733 of the Companies Act 2006.

Notes to the financial statements (continued)

For the period ended 1 January 2019

30 Operating lease commitments

**Lessee**

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

	Group 2018 £	2017 £	Company 2018 £	2017 £
Within one year	870,050	880,050	800,050	800,050
Between two and five years	3,252,700	3,322,700	3,200,200	3,200,200
In over five years	1,602,138	2,401,938	1,602,138	2,401,938
	<u>5,724,888</u>	<u>6,604,688</u>	<u>5,602,388</u>	<u>6,402,188</u>

**Lessor**

The operating leases represent property rentals. The leases tend to be short term in nature and range from a term of two months to two years. At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Within one year	56,018	65,471	56,018	65,471
Between two and five years	-	16,347	-	16,347
	<u>56,018</u>	<u>81,818</u>	<u>56,018</u>	<u>81,818</u>



## **Longleat Enterprises Limited**

### **Notes to the financial statements (continued)**

**For the period ended 1 January 2019**

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#### **31 Related party transactions**

##### **Transactions with related parties**

###### **Group and company**

The Most Honourable Alexander George, The Seventh Marquess of Bath is a life tenant of both Lord Bath's Own Longleat Settlement and The Longleat House and Chattels Trust, and he also has a beneficial interest in the ownership of Longleat Enterprises Limited by virtue of Lord Bath's Own Longleat Settlement.

Viscount Weymouth is the life tenant of the Lord Bath's Longleat Settlement - Viscount Weymouth's Fund, and is a director of Longleat Enterprises Limited. The trustees of the above funds are Harry Westropp, Albemarle Cator, Simon Franks and James Hervey-Bathurst and in this capacity they had a material interest in a number of transactions.

The below transactions relate to the trade of the company such as rental and management charges.

The receipts and payments between the entities during the year were as follows:

- with Lord Bath's Own Longleat Settlement, received income and recharges totalling £733,047 (2017: £8,341) and payments of £805,519 (2017: £426,752)
- with The Longleat House and Chattels Trust, received income and recharges totalling £125,730 (2017: £nil) and payments of £692,045 (2017: £622,250)
- with Lord Bath's Longleat Settlement - Viscount Weymouth's Fund, received income and recharges totalling £429,957 (2017: £nil) and payments of £100,627 (2017: £126,225).

Balances outstanding with the various related entities at the year end were:

- amounts due to the Longleat House and Chattels Trust of £184,894 (2017: £557,454 due from the Longleat House and Chattels Trust)
- amounts due from Lord Bath's Own Longleat Settlement of £9,145 (2017: £50,938)
- amounts due from Lord Bath's Longleat Settlement - Viscount Weymouth's Fund of £139,973 (2017: £1,058,362 ).

Amounts due from the various entities are included within debtors and creditors.

During the year, donations of £nil (2017: £58,088) were made by the company to the Longleat Charitable Trust. At the year end the company was owed £100,105 (2017: £100,580) from the Longleat Charitable Trust.

At the balance sheet date a director owed the company £nil (2017: £1,838).

During the year, close family members of key management personnel received salaries of £127,379 (2017: £126,095).

## Longleat Enterprises Limited

### Notes to the financial statements (continued)

For the period ended 1 January 2019

#### 32 Subsidiaries

Details of the company's subsidiaries at 1 January 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Longleat Bath Arms Limited	England and Wales	Public house	Ordinary	100.00
Longleat Bishopstrow Limited	England and Wales	Hotel operator	Ordinary	100.00
Longleat Homewood Park Limited	England and Wales	Hotel operator	Ordinary	100.00

#### 33 Controlling party

The controlling parties are the trustees of Lord Bath's Own Longleat Settlement - Harry Westropp, Albemarle Cator, Simon Franks and James Hervey-Bathurst.

#### 34 Cash generated from group operations

	2018 £	2017 £
Loss for the period after tax	(31,895)	(442,568)
Adjustments for:		
Taxation (credited)/charged	(1,289,718)	1,931,976
Finance costs	99,661	264,940
Investment income	-	(13,592)
Loss/(gain) on disposal of tangible fixed assets	383,587	(22,726)
(Gain)/loss on disposal of investment property	-	59,914
Loss on disposal of intangible assets	18,590	-
Gain on disposal of business	(1,504,431)	-
Depreciation and impairment of tangible fixed assets	2,567,935	3,699,350
Other gains and losses	1,973,112	-
Movements in working capital:		
Decrease in stocks	50,471	8,336
Decrease/(increase) in debtors	1,902,624	(2,609,389)
(Decrease)/increase in creditors	(928,406)	967,613
<b>Cash generated from operations</b>	<b>3,241,530</b>	<b>3,843,854</b>