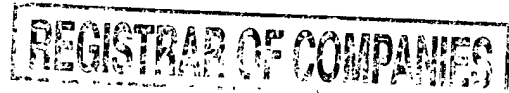
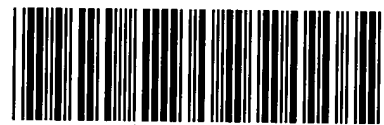


REGISTERED NUMBER: 01326672 (England and Wales)



THE GOODWOOD HOTEL LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

MONDAY



L5GCUARE
LD3 26/09/2016 #40
COMPANIES HOUSE

THE GOODWOOD HOTEL LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11
Reconciliation of Equity	19
Reconciliation of Loss or Profit	21

THE GOODWOOD HOTEL LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2015

DIRECTORS: Alexander Patrick Williamson
Earl of March
Tracey Greaves

SECRETARY: Katharine Anne Palka

REGISTERED OFFICE: Goodwood House
Goodwood
Chichester
West Sussex
PO18 0PX

REGISTERED NUMBER: 01326672 (England and Wales)

SENIOR STATUTORY AUDITOR: P R Collins

AUDITORS: Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

THE GOODWOOD HOTEL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their strategic report for the year ended 31 December 2015.

OUR OBJECTIVE AND MISSION

The Goodwood Hotel is part of the Goodwood Group. Goodwood's objective is to be the world's leading luxury experience brand and deliver consistently strong financial performance to enable continued investment in the fabric of the Goodwood Estate.

Our mission is to build a progressive customer focussed business and develop Goodwood as a global brand whilst preserving authenticity, creating unique moments and delivering sustainable commercial performance in an exciting and rewarding place.

BUSINESS MODEL

The Company operates The Goodwood Hotel, a 91 bedroom Hotel incorporating two restaurants, meeting and event facilities and a Health Club. Set in the Goodwood Estate on the Sussex Downs, the Hotel offers award-winning dining, stylish refurbished bedrooms and stunning surroundings.

REVIEW OF BUSINESS

The Goodwood Hotel delivered an improved financial performance in 2015. This is reflective of a generally supportive Hotel market and continued success in attracting additional corporate customers.

The Goodwood Hotel increased revenue by 4% to £7.8m in 2015 (2014: £7.5m). The increased revenue lead to an improvement in Operating Profit of £0.16m to £0.10m. The Hotel continues to benefit from the major room refurbishment programme completed in 2013 which, combined with the continued focus on Corporate customers, saw average room rate improve to £115 and occupancy move up to 76% from £113 and 72% in 2014 respectively.

Food and beverage revenues were broadly static compared to 2014 at £2.9m, consolidating a good uplift from 2013 and performing well in a competitive local market. The Health Club, once again, enjoyed a successful year with revenue 6% up on 2014 whilst income from the Beauty operations delivered from the Waterbeach outlet were slightly up against 2014. This was despite a closure period of a number of weeks whilst the facility was refurbished.

The Company remains committed to investing in the fabric of the Hotel with significant investment made in key building infrastructure in 2015 in addition to the aforementioned improvements to the Beauty facility. Additionally, plans are underway to improve both the Richmond Arms, the Hotel's main restaurant, and the Hotel's kitchen facilities in 2016. The changes proposed to the Richmond Arms will see the restaurant offering changes so that there is a real focus on food from Home Farm, the Goodwood Estate's premium organic farm. This transition will be underpinned by a refurbishment of both the bar and restaurant.

Trading conditions in the rural UK hotel market are expected to continue to strengthen, albeit at a relatively slow rate which should supplement good demand for our product coming from other businesses in the Group. Our focus on service and quality, against the backdrop of the Goodwood Estate, along with a clear investment plan puts us in a strong position to continue to develop during 2016 and beyond.

THE GOODWOOD HOTEL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

PRINCIPAL RISKS AND UNCERTAINTIES

Risk

Mitigation controls

Health & safety risk

The Company operates leisure facilities, including a swimming pool and gym and two restaurants. The Company ensures it complies with all of the relevant standards and carries out frequent checks to ensure its food and beverage operations are operated to the highest possible standards.

In addition, as part of the Goodwood Group, the Company benefits from the investment being made in the Group Health & Safety function. This will support the future growth of the Company's operations.

Market risk: Improvement in competitor operations results in reduced business activity

The Company effectively operates three principal businesses: a Hotel accommodation business; a food and beverage business, and a leisure and spa business.

The Company has focussed on ensuring that each of its businesses is competitive in their respective markets. The Company has invested heavily in its bedrooms stock since 2010, to ensure its room offering is at the required standard.

In food and beverage, we have recruited a team of high quality chefs that are passionate about using food produced by Home Farm, the Estate's organic farm, thus differentiating the restaurants from local competitors.

In leisure, the Company offers its members' good facilities, a highly personalised service and an innovative programme of fitness activities that take place across the Estate.

Market risk: Deterioration in the UK economy

The Company is exposed to both the UK leisure and corporate markets and therefore is likely to be impacted by wider economic conditions. However, the Company's leisure business from the local market is perceived to be relatively affluent and therefore somewhat insulated from wider economic issues. In terms of its corporate business, the Company is able to access the corporate client base of the Group and so has a more diverse potential client base than a normal UK regional hotel. This is expected to lend a degree of resilience to trading.

Operational risk: Inability to attract and retain key employees

The Company's success is dependent on attracting and retaining the best employees. The Company uses the Group HR function and this conducts regular benchmarking to ensure that staff pay and benefits are in line or better than comparable companies. The Group also invests in staff training and this ensures that Hotel employees get access to the right support and development.

ON BEHALF OF THE BOARD:



Earl of March - Director

23 September 2016

THE GOODWOOD HOTEL LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2015.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Alexander Patrick Williamson
Earl of March
Tracey Greaves

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Clark Brownscombe Limited, the company's auditors, merged with Hartley Fowler LLP on the 1st December 2015, following which they resigned as the Company's auditor and confirmed to the Company that, in accordance with Section 519 of the Companies Act 2006, there are no circumstances in connection with its resignation which it considers need to be brought to the attention of the Company's members or creditors. The Directors of the Company would like to thank Clark Brownscombe Limited for the service provided to the Company in the past. Hartley Fowler LLP has been appointed as auditors to the company in their place, the appropriate arrangements have been taken to formalise this appointment in the absence of an Annual General Meeting.

ON BEHALF OF THE BOARD:



Earl of March - Director

23 September 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GOODWOOD HOTEL LIMITED

We have audited the financial statements of The Goodwood Hotel Limited for the year ended 31 December 2015 on pages six to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

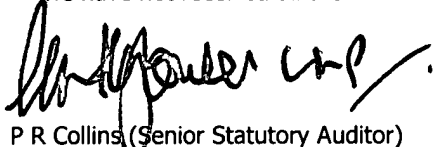
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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, 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.



P R Collins (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

Date: 26 September 2016

THE GOODWOOD HOTEL LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
TURNOVER		7,782,460	7,470,846
Cost of sales		<u>1,325,981</u>	<u>1,203,432</u>
GROSS PROFIT		6,456,479	6,267,414
Administrative expenses		<u>6,397,986</u>	<u>6,275,585</u>
		58,493	(8,171)
Other operating income		<u>42,348</u>	<u>38,659</u>
OPERATING PROFIT	3	100,841	30,488
Interest payable and similar charges	4	<u>2,221</u>	<u>2,221</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		98,620	28,267
Tax on profit on ordinary activities	5	<u>2,266</u>	<u>(23,457)</u>
PROFIT FOR THE FINANCIAL YEAR		96,354	51,724
OTHER COMPREHENSIVE INCOME			
Unrealised gains on property revaluation		99,573	780,399
Income tax relating to other comprehensive income		<u>35,000</u>	<u>(89,000)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>134,573</u>	<u>691,399</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>230,927</u></u>	<u><u>743,123</u></u>

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED (REGISTERED NUMBER: 01326672)

BALANCE SHEET 31 DECEMBER 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	16,243,822	16,569,073
CURRENT ASSETS			
Stocks	7	81,804	74,232
Debtors	8	527,461	1,073,366
Cash at bank and in hand		<u>4,000</u>	<u>144,685</u>
		613,265	1,292,283
CREDITORS			
Amounts falling due within one year	9	<u>4,311,406</u>	<u>5,436,869</u>
NET CURRENT LIABILITIES		<u>(3,698,141)</u>	<u>(4,144,586)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,545,681	12,424,487
CREDITORS			
Amounts falling due after more than one year	10	-	(3,699)
PROVISIONS FOR LIABILITIES	14	<u>(682,447)</u>	<u>(788,481)</u>
NET ASSETS		<u>11,863,234</u>	<u>11,632,307</u>
CAPITAL AND RESERVES			
Called up share capital	15	100,000	100,000
Revaluation reserve	16	6,091,020	5,956,447
Retained earnings	16	<u>5,672,214</u>	<u>5,575,860</u>
SHAREHOLDERS' FUNDS		<u>11,863,234</u>	<u>11,632,307</u>

The financial statements were approved by the Board of Directors on 23 September 2016 and were signed on its behalf by:


Earl of March - Director

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2014	100,000	4,974,461	1,415,623	6,490,084
Changes in equity				
Total comprehensive income	-	601,399	4,540,824	5,142,223
Balance at 31 December 2014	100,000	5,575,860	5,956,447	11,632,307
Changes in equity				
Total comprehensive income	-	96,354	134,573	230,927
Balance at 31 December 2015	100,000	5,672,214	6,091,020	11,863,234

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Cash flows from operating activities			
Cash generated from operations	1	(2,691,383)	85,780
Interest element of hire purchase payments paid		(2,221)	(2,221)
Tax paid		<u>-</u>	<u>57,000</u>
Net cash from operating activities		<u>(2,693,604)</u>	<u>140,559</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(88,471)	(421,854)
Sale of tangible fixed assets		<u>400</u>	<u>-</u>
Net cash from investing activities		<u>(88,071)</u>	<u>(421,854)</u>
Cash flows from financing activities			
Capital repayments in year		<u>(22,195)</u>	<u>(22,194)</u>
Net cash from financing activities		<u>(22,195)</u>	<u>(22,194)</u>
Decrease in cash and cash equivalents		<u>(2,803,870)</u>	<u>(303,489)</u>
Cash and cash equivalents at beginning of year	2	<u>144,685</u>	<u>448,174</u>
Cash and cash equivalents at end of year	2	<u>(2,659,185)</u>	<u>144,685</u>

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

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

	2015	2014
	£	£
Profit before taxation	98,620	28,267
Depreciation charges	512,450	482,715
Loss on disposal of fixed assets	446	2,107
Finance costs	<u>2,221</u>	<u>2,221</u>
	613,737	515,310
(Increase)/decrease in stocks	(7,572)	4,003
Decrease/(increase) in trade and other debtors	545,905	(312,850)
Decrease in trade and other creditors	<u>(3,843,453)</u>	<u>(120,683)</u>
Cash generated from operations	<u>(2,691,383)</u>	<u>85,780</u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 December 2015

	31/12/15	1/1/15
	£	£
Cash and cash equivalents	4,000	144,685
Bank overdrafts	<u>(2,663,185)</u>	<u>-</u>
	<u>(2,659,185)</u>	<u>144,685</u>

Year ended 31 December 2014

	31/12/14	1/1/14
	£	£
Cash and cash equivalents	<u>144,685</u>	<u>448,174</u>

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The directors have considered whether the financial statements have been properly prepared on the going concern basis in the light of the deficit of net current assets over net current liabilities at the end of the year. The company is dependent on the continuing support of the holding company. The directors have received confirmation from the directors of the holding company that the holding company will continue its support of the company for a minimum period of twelve months from the date on which these accounts have been approved and therefore consider that the going concern basis is the appropriate basis for the preparation of the accounts.

Turnover

Turnover represents the value of services provided excluding VAT, including sales of accommodation, food and beverages, conference and other facility fees and gym membership fees. Turnover is adjusted for accrued and deferred membership income.

Tangible fixed assets

Long leasehold land and buildings are stated at fair value at the balance sheet date. The impact of this change on opening equity and profit for the comparative year are explained in the statement of changes in equity.

Plant and equipment are stated at cost less accumulated depreciation. Annual reviews are made of estimated useful lives and material residual values. Depreciation rates used to write off cost less residual value on a straight line basis are:

Fixtures, fittings and equipment	- Over 4 to 10 years
Motor vehicles	- Over 6 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contributions pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

2. STAFF COSTS

	2015 £	2014 £
Wages and salaries	2,725,583	2,497,832
Social security costs	199,651	196,395
Other pension costs	<u>38,354</u>	<u>35,803</u>
	<u>2,963,588</u>	<u>2,730,030</u>

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

	2015	2014
Management & Administration	6	6
Operational	<u>157</u>	<u>147</u>
	<u>163</u>	<u>153</u>

3. OPERATING PROFIT

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

	2015 £	2014 £
Hire of plant and machinery	54,909	24,065
Other operating leases	8,316	6,273
Depreciation - owned assets	491,394	461,660
Depreciation - assets on hire purchase contracts	21,056	21,055
Loss on disposal of fixed assets	446	2,107
Auditors' remuneration	13,750	13,000
Auditors' other services	1,465	-
Rental income	<u>(42,348)</u>	<u>(38,659)</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Leasing	<u>2,221</u>	<u>2,221</u>

5. TAXATION

Analysis of the tax charge/ (credit)

The tax charge/ (credit) on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK Corporation tax	73,300	-
Deferred tax	<u>(71,034)</u>	<u>(23,457)</u>
Tax on profit on ordinary activities	<u>2,266</u>	<u>(23,457)</u>

UK corporation tax has been charged at 20.25% (2014 - 21.50%).

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

5. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>98,620</u>	<u>28,267</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.250% (2014 - 21.500%)	19,971	6,077
Effects of:		
Expenses not deductible for tax purposes	401	71
Utilisation of tax losses	(6,871)	(4,406)
Depreciation in excess of capital allowances	59,639	(644)
Short term timing differences	134	(1,098)
Other tax adjustments	26	-
Deferred taxation	<u>(71,034)</u>	<u>(23,457)</u>
Total tax charge/ (credit)	<u>2,266</u>	<u>(23,457)</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2015 Tax £	Net £
Unrealised gains on property revaluation	<u>99,573</u>	<u>35,000</u>	<u>134,573</u>
	<u>99,573</u>	<u>35,000</u>	<u>134,573</u>
	Gross £	2014 Tax £	Net £
Unrealised gains on property revaluation	<u>780,399</u>	<u>(89,000)</u>	<u>691,399</u>
	<u>780,399</u>	<u>(89,000)</u>	<u>691,399</u>

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 January 2015	14,200,000	4,978,858	19,178,858
Additions	427	88,044	88,471
Disposals	-	(6,960)	(6,960)
Revaluations	99,573	-	99,573
At 31 December 2015	14,300,000	5,059,942	19,359,942
DEPRECIATION			
At 1 January 2015	-	2,609,785	2,609,785
Charge for year	-	512,450	512,450
Eliminated on disposal	-	(6,115)	(6,115)
At 31 December 2015	-	3,116,120	3,116,120
NET BOOK VALUE			
At 31 December 2015	14,300,000	1,943,822	16,243,822
At 31 December 2014	14,200,000	2,369,073	16,569,073

The long leasehold land and buildings were valued by Savills (UK) Limited, Chartered Surveyors at fair value of £14,200,000 at 31st December 2014. The directors reviewed the fair value at 31st December 2015 and considered this to be £14,300,000.

Cost or valuation at 31 December 2015 is represented by:

	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2013	4,227,805	-	4,227,805
Valuation in 2014	780,399	-	780,399
Valuation in 2015	99,573	-	99,573
Cost	9,192,223	5,059,942	14,252,165
	14,300,000	5,059,942	19,359,942

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

6. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £
COST OR VALUATION	
At 1 January 2015	
and 31 December 2015	<u>73,982</u>
DEPRECIATION	
At 1 January 2015	26,372
Charge for year	<u>21,056</u>
At 31 December 2015	<u>47,428</u>
NET BOOK VALUE	
At 31 December 2015	<u>26,554</u>
At 31 December 2014	<u>47,610</u>

7. STOCKS

	2015 £	2014 £
Stocks	<u>81,804</u>	<u>74,232</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	319,504	362,052
Amounts owed by group undertakings	63,708	582,700
Other debtors	1,703	21,293
Prepayments and accrued income	<u>142,546</u>	<u>107,321</u>
	<u>527,461</u>	<u>1,073,366</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank loans and overdrafts (see note 11)	2,663,185	-
Hire purchase contracts (see note 12)	3,699	22,195
Trade creditors	280,334	314,357
Amounts owed to group undertakings	314,994	4,194,696
Tax	73,300	-
Social security and other taxes	391,551	357,434
Other creditors	402,198	271,531
Accruals and deferred income	<u>182,145</u>	<u>276,656</u>
	<u>4,311,406</u>	<u>5,436,869</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £	2014 £
Hire purchase contracts (see note 12)	<u>-</u>	<u>3,699</u>

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

11. BANK LOANS AND OVERDRAFT

An analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>2,663,185</u>	<u>-</u>

12. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2015 £	2014 £
Gross obligations repayable:		
Within one year	4,069	24,416
Between one and five years	<u>-</u>	<u>4,069</u>
	<u>4,069</u>	<u>28,485</u>
Finance charges repayable:		
Within one year	370	2,221
Between one and five years	<u>-</u>	<u>370</u>
	<u>370</u>	<u>2,591</u>
Net obligations repayable:		
Within one year	3,699	22,195
Between one and five years	<u>-</u>	<u>3,699</u>
	<u>3,699</u>	<u>25,894</u>
	Non-cancellable operating leases	
	2015 £	2014 £
Within one year	6,225	6,172
Between one and five years	<u>2,576</u>	<u>2,576</u>
	<u>8,801</u>	<u>8,748</u>

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

13. SECURED DEBTS

The following secured debts are included within creditors:

	2015 £	2014 £
Bank overdraft	2,663,185	-
Lease purchase contracts	<u>3,699</u>	<u>25,894</u>
	<u>2,666,884</u>	<u>25,894</u>

The bank overdraft is secured under the group loan arrangements by a fixed charge over certain freehold land, which includes the land occupied under long leasehold by the company.

Lease purchase contracts are secured on the assets concerned.

14. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Deferred tax	<u>682,447</u>	<u>788,481</u>
		Deferred tax £
Balance at 1 January 2015		
As previously reported		253,481
Prior year adjustment		<u>535,000</u>
As restated		788,481
Accelerated capital allowances		(71,034)
Unrealised revaluation gains		<u>(35,000)</u>
Balance at 31 December 2015		<u>682,447</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015 £	2014 £
Number:	Class:	Nominal value:		
100,000	Ordinary shares	£1	<u>100,000</u>	<u>100,000</u>

16. STATEMENT OF CHANGES IN EQUITY

On the adoption of FRS 102, the long leasehold land and buildings have been recognised on the balance sheet at the date of transition, 1st January 2014 at fair valuation of £13,400,000. The long leasehold land and buildings were valued by Savills (UK) Limited, Chartered Surveyors. The depreciation accumulated at 31st December 2013 of £617,295 was released to the profit and loss account.

The retained profit for the year ended 31st December 2014 was restated for the depreciation amount for that year of £89,528

The long leasehold land and buildings were valued by Savills (UK) Limited, Chartered Surveyors at fair value of £14,200,000 at 31st December 2014.

THE GOODWOOD HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

17. PENSION COMMITMENTS

Defined Contribution Pension Scheme

The company operates a defined contribution pension scheme on behalf of current employees. Contributions of 6 - 10% are payable by the company and 4% by the employee and are charged to profit and loss account in the period to which they relate. For the year ended 31 December 2015 the company made total employer contributions of £80,537 (2014: £50,910). There were outstanding contributions of £5,321 as at 31 December 2015.

18. ULTIMATE PARENT COMPANY

The ultimate parent company is The Goodwood Estate Company Limited registered in England and Wales. The consolidated accounts of the group may be obtained from the company at Goodwood House, Goodwood, Chichester, West Sussex PO18 0PX.

19. CONTINGENT LIABILITIES

The company has given an unlimited cross guarantee to the group's bankers in respect of the revolving credit facility and overdraft facility provided to the parent company, The Goodwood Estate Company Limited. The Group has a credit facility of £10,000,000 and an overdraft limit of £5,000,000. The potential liability at 31 December 2015 was £4,243,346 (2014 £2,132,018).

20. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

21. ULTIMATE CONTROLLING PARTY

The Directors regard the Trustees acting on behalf of Trusts for the Gordon-Lennox family to be the ultimate controlling party of the Group.

THE GOODWOOD HOTEL LIMITED

RECONCILIATION OF EQUITY

1 JANUARY 2014

(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	7	<u>11,006,542</u>	<u>4,845,100</u>	<u>15,851,642</u>
CURRENT ASSETS				
Stocks	8	78,235	-	78,235
Debtors	9	817,516	-	817,516
Cash at bank		<u>448,174</u>	<u>-</u>	<u>448,174</u>
		<u>1,343,925</u>	<u>-</u>	<u>1,343,925</u>
CREDITORS				
Amounts falling due within one year	10	<u>(5,557,552)</u>	<u>-</u>	<u>(5,557,552)</u>
NET CURRENT LIABILITIES		<u>(4,213,627)</u>	<u>-</u>	<u>(4,213,627)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,792,915	4,845,100	11,638,015
CREDITORS				
Amounts falling due after more than one year	11	(25,893)	-	(25,893)
PROVISIONS FOR LIABILITIES	14	<u>(276,938)</u>	<u>(446,000)</u>	<u>(722,938)</u>
NET ASSETS		<u>6,490,084</u>	<u>4,399,100</u>	<u>10,889,184</u>
CAPITAL AND RESERVES				
Called up share capital	15	100,000	-	100,000
Revaluation reserve	16	1,415,623	3,849,425	5,265,048
Retained earnings	16	<u>4,974,461</u>	<u>549,675</u>	<u>5,524,136</u>
SHAREHOLDERS' FUNDS		<u>6,490,084</u>	<u>4,399,100</u>	<u>10,889,184</u>

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED

RECONCILIATION OF EQUITY - continued 31 DECEMBER 2014

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets	7	<u>10,854,046</u>	<u>5,715,027</u>	<u>16,569,073</u>
CURRENT ASSETS				
Stocks	8	74,232	-	74,232
Debtors	9	1,073,366	-	1,073,366
Cash at bank		<u>144,685</u>	<u>-</u>	<u>144,685</u>
		<u>1,292,283</u>	<u>-</u>	<u>1,292,283</u>
CREDITORS				
Amounts falling due within one year	10	<u>(5,436,869)</u>	<u>-</u>	<u>(5,436,869)</u>
NET CURRENT LIABILITIES		<u>(4,144,586)</u>	<u>-</u>	<u>(4,144,586)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,709,460	5,715,027	12,424,487
CREDITORS				
Amounts falling due after more than one year	11	(3,699)	-	(3,699)
PROVISIONS FOR LIABILITIES	14	<u>(253,481)</u>	<u>(535,000)</u>	<u>(788,481)</u>
NET ASSETS		<u>6,452,280</u>	<u>5,180,027</u>	<u>11,632,307</u>
CAPITAL AND RESERVES				
Called up share capital	15	100,000	-	100,000
Revaluation reserve	16	1,405,963	4,550,484	5,956,447
Retained earnings	16	<u>4,946,317</u>	<u>629,543</u>	<u>5,575,860</u>
SHAREHOLDERS' FUNDS		<u>6,452,280</u>	<u>5,180,027</u>	<u>11,632,307</u>

The notes form part of these financial statements

THE GOODWOOD HOTEL LIMITED

RECONCILIATION OF LOSS OR PROFIT FOR THE YEAR ENDED 31 DECEMBER 2014

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	7,470,846	-	7,470,846
Cost of sales	<u>(1,203,432)</u>	-	<u>(1,203,432)</u>
GROSS PROFIT	6,267,414	-	6,267,414
Administrative expenses	(6,365,113)	89,528	(6,275,585)
Other operating income	<u>38,659</u>	-	<u>38,659</u>
OPERATING (LOSS)/PROFIT	(59,040)	89,528	30,488
Interest payable and similar charges	<u>(2,221)</u>	-	<u>(2,221)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(61,261)	89,528	28,267
Tax on (loss)/profit on ordinary activities	<u>23,457</u>	-	<u>23,457</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	<u><u>(37,804)</u></u>	<u><u>89,528</u></u>	<u><u>51,724</u></u>

The notes form part of these financial statements