

Company Registration No. 02395603 (England and Wales)

BUCKINGHAMSHIRE GOLF COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



Arora
GROUP

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

COMPANY INFORMATION

Directors	Sanjay Arora Athos Yiannis
Secretary	Athos Yiannis
Company number	02395603
Registered office	World Business Centre 3 Newall Road London Heathrow Airport Hounslow England TW6 2TA
Auditor	BDO LLP 55 Baker Street London W1U 7EU

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

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BUCKINGHAMSHIRE GOLF COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Introduction

Buckinghamshire Golf Company Limited "the company" is part of the Arora Group of companies, a successful UK- focused private group of companies, which leverages synergies across its specialist property, construction and hotel divisions to its strategic advantage. Since 1999, the Group has built its standing through meticulously managing projects from inception to delivery and beyond. Today, it owns and manages a diverse portfolio of flagship assets across the nation's key business locations, partnering with some of the world's most recognised brands to deliver consistently high service levels and sustainable growth.

The group strategy is to deliver portfolio diversification, growth in asset value and profitability. Our strategy for delivering these objectives are:

- Delivering sound long-term value to our stakeholders,
- Continuing to expand, develop and consolidate a diversified property asset portfolio in targeted UK locations and
- Sustaining our reputation for quality, integrity and social responsibility.

More information about the group can be found on www.thearoragroup.com.

Review of business

The company operates the Buckinghamshire Golf Club in Denham, located approximately 18 miles from central London and 12 miles from Heathrow Airport. It also owns the real estate interests of an 18 hole championship golf course, Grade II listed clubhouse and mansion house (the Denham Court Mansion).

During the financial year ended 31 March 2021, business activity was significantly affected by COVID-19 restrictions, therefore revenues were down across all areas of the business.

In line with the club's long term plan we have successfully started repositioning the club within the golf market, as such many aspects of the club have been improved including the course condition, service and tee time availability. These factors combined with membership being closed has resulted in a significant increase in demand for membership at the club.

Key Performance Indicators

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the key performance indicators.

The key performance indicators are turnover and trading EBITDA. These indicators are set out below:

	2021	2020
	£	£
Turnover	1,469,444	2,631,358
Trading EBITDA	(2,075)	127,940

Balanced Scorecard

This sets out to measure guest satisfaction, labour turnover, cash management, internal financial controls, Health and Safety and Environmental audits and profit achievement as the 6 key indicators of the health of the business. The hotel has performed satisfactorily in all categories despite the economic climate.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Environmental Sustainability Policy Statement

To see ways in which the Arora Group aims to minimise its impact on the environment, visit <https://thearoragroup.com/about/policy-position/environmentalsustainability>.

Principal risks and uncertainties

The main financial risks arising from the company's activities are COVID-19 risk, credit risk, interest rate risk and liquidity risk. These are monitored by the board of directors and only COVID-19 was considered to be significant at the balance sheet date.

The COVID-19 outbreak at the end of the financial year has had a significant impact on the operations of the golf club after year end and across the whole sports and leisure sector in the UK. It is uncertain to know the future impacts this will have on future trading as the situation is continuously changing.

The company's policy in respect of credit risk is to require appropriate credit checks on potential customers before sales are made.

The company's policy in respect of interest rate risk and liquidity risk is to maintain a mixture of medium and short term debt finance and readily accessible bank deposit accounts to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a floating rate. Debt is maintained at floating interest rates.

Policy for Employment of Disabled Persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retaining of employees who become disabled whilst employed by the group. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

Political and Charitable Donations

Arora Charitable Foundation was established in 2010 to create a structure for Arora group's social responsibilities initiatives. For more information go to <https://aroracharitablefoundation.com/>. During the year, the company did not make charitable donations or any political contributions.

Employee Involvement Policy

The company is committed to communicating the progress and developments of its business to its employees. This includes 'Way Ahead Meetings', 'Staff Consultative Committee Meetings', the quarterly and annual 'Arora Stars' employee recognition scheme and the group internal newsletter.

Future Developments

Information on likely future developments in the business of the company has been included within this report.

Going Concern

The directors assessment on going concern can be found in note 1 of this report.

On behalf of the board



Athos Yiannis

Director

5 October 2021

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities

The principal activity of the company continued to be that of a golf club.

Directors

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

Sanjay Arora
Athos Yiannis

Results and dividends

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

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

Qualifying third party indemnity provisions

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

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

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

Auditor

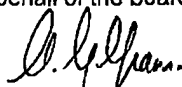
In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditor of the company will be put at a General Meeting.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board



.....
Athos Yiannis
Director

Date: 5 October 2021.....

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BUCKINGHAMSHIRE GOLF COMPANY LIMITED

Opinion on the 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 March 2021 and of its loss 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.

We have audited the financial statements of Buckinghamshire Golf Company Limited (the 'Company') for the year ended 31 March 2021 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BUCKINGHAMSHIRE GOLF COMPANY LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BUCKINGHAMSHIRE GOLF COMPANY LIMITED

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.

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

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

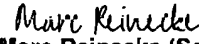
- We obtained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and considered the significant laws and regulations to be those relating to the industry, financial reporting framework and tax legislation.
- We held discussions with management and the Board to consider any known or suspected instances of non-compliance with laws and regulations or fraud identified by them.
- Based on the understanding obtained we designed audit procedures to identify non-compliance with the laws and regulations, as noted above. This included enquiries of local and group Management, review of Board minutes, and reviews of relevant correspondence.
- We tested journal entries, focusing on journal entries containing characteristics of audit interest such as manual journals and journals relating to revenue.
- We tested and challenged the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

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.


Marc Reinecke (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London

Date 05 October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	1,469,444	2,631,358
Cost of sales		(149,050)	(406,579)
Gross profit		1,320,394	2,224,779
Administrative expenses		(1,961,620)	(2,423,180)
Other operating income		315,396	-
Loss before taxation		(325,830)	(198,401)
Tax on loss	6	97,515	169,347
Loss for the financial year		(228,315)	(29,054)

The income statement has been prepared on the basis that all operations are continuing operations.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Loss for the year	(228,315)	(29,054)
Other comprehensive income	-	-
Total comprehensive loss for the year	<u>(228,315)</u>	<u>(29,054)</u>

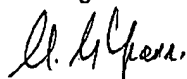
BUCKINGHAMSHIRE GOLF COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7		9,933,947		10,229,309
Current assets					
Stocks	8	93,222		111,481	
Debtors	9	402,250		238,092	
Cash at bank and in hand		364,845		291,106	
		860,317		640,679	
Creditors: amounts falling due within one year	10	(1,715,144)		(1,562,553)	
Net current liabilities			(854,827)		(921,874)
Total assets less current liabilities			9,079,120		9,307,435
Capital and reserves					
Called up share capital	13	41,020,000		41,020,000	
Profit and loss reserves		(31,940,880)		(31,712,565)	
Total equity			9,079,120		9,307,435

The financial statements were approved by the board of directors and authorised for issue on 5 October 2021 and are signed on its behalf by:



Athos Yiannis
Director

Company Registration No. 02395603

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2019	41,020,000	(31,683,511)	9,336,489
Year ended 31 March 2020:			
Loss and total comprehensive income for the year	-	(29,054)	(29,054)
Balance at 31 March 2020	41,020,000	(31,712,565)	9,307,435
Year ended 31 March 2021:			
Loss and total comprehensive income for the year	-	(228,315)	(228,315)
Balance at 31 March 2021	<u>41,020,000</u>	<u>(31,940,880)</u>	<u>9,079,120</u>

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Buckinghamshire Golf Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is World Business Centre 3, Newall Road, London Heathrow Airport, Hounslow, England, TW6 2TA.

1.1 Accounting convention

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

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

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

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

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Arora Hotels Limited. These consolidated financial statements are available from its registered office, World Business Centre 3, Newall Road, London Heathrow Airport, Hounslow, TW6 2TA.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company also received a confirmation of support from group undertakings to confirm that amounts owed to the group undertakings will not be called until the company is in position to settle its obligations. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has prepared cash flow projections for a period of 12 months from the date the accounts were signed which show that the company will continue to trade for the foreseeable future.

On this basis, the directors consider that it is appropriate to prepare the company's financial statements on a going concern basis

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Golf Membership income

A golf membership term is over twelve months and typically runs from 1 April to 31 March each year.

Golf members are required to pay up front or by way of instalments over the calendar year. In all cash settlement scenarios, golf membership revenue is recognised proportionately over the course of the twelve month membership term.

Rental income

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.

1.4 Tangible fixed assets

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

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

Leasehold land and buildings	straight line over the length of the lease
Plant and equipment	5 - 10 years straight line
Fixtures and fittings	5 - 10 years straight line
Motor vehicles	5 - 10 years straight line

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

1.5 Impairment of fixed assets

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

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

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

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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

1.6 Stocks

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

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

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

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

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

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

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

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

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.13 Leases

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

1.14 Government grants

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

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

1.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2 Judgements and key sources of estimation uncertainty

Some of the significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is a summary of those policies which management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Going concern

The directors considerations and judgements on going concern are set out in note 1

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Membership fees	709,691	947,988
Food, beverage and function room sales	160,210	839,860
Pro shop	150,829	196,838
Green fees	305,088	583,158
Rent receivable	70,142	58,750
Sundry income	73,484	4,764
	<u>1,469,444</u>	<u>2,631,358</u>

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Government grants - Coronavirus job retention scheme	(315,396)	-
Auditors' remuneration	7,000	7,000
Depreciation of owned tangible fixed assets	323,755	326,341
Profit on disposal of tangible fixed assets	(6,916)	-
Hire of plant and machinery	-	3,976
Operating lease charges	87,891	39,623

5 Employees

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

	2021	2020
	Number	Number
Operations	39	36

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	841,436	1,044,628
Social security costs	65,612	89,002
Pension costs	15,540	20,858
	922,588	1,154,488

6 Taxation

	2021	2020
	£	£
Deferred tax		
Origination and reversal of timing differences	(27,060)	7,695
Changes in tax rates	(57,967)	-
Adjustment in respect of prior periods	(12,488)	(177,042)
Total deferred tax	(97,515)	(169,347)

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Taxation

(Continued)

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

	2021 £	2020 £
Loss before taxation	(325,830)	(198,401)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(61,908)	(37,696)
Tax effect of income not taxable in determining taxable profit	(1,313)	-
Group relief	2,344	4,579
Depreciation on assets not qualifying for tax allowances	40,700	40,813
Deferred tax adjustments in respect of prior years	(12,488)	(177,043)
Changes in tax rates	(64,850)	-
Taxation credit for the year	(97,515)	(169,347)

7 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2020	28,289,721	375,603	1,039,299	33,756	29,738,379
Additions	26,726	-	6,000	-	32,726
Disposals	-	-	-	(8,806)	(8,806)
At 31 March 2021	28,316,447	375,603	1,045,299	24,950	29,762,299
Depreciation and impairment					
At 1 April 2020	18,312,320	304,335	867,241	25,174	19,509,070
Depreciation charged in the year	217,559	27,892	74,055	4,249	323,755
Eliminated in respect of disposals	-	-	-	(4,473)	(4,473)
At 31 March 2021	18,529,879	332,227	941,296	24,950	19,828,352
Carrying amount					
At 31 March 2021	9,786,568	43,376	104,003	-	9,933,947
At 31 March 2020	9,977,401	71,268	172,058	8,582	10,229,309

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Stocks

	2021 £	2020 £
Finished goods and goods for resale	93,222	111,481

Stocks recognised in cost of sales during the period as an expense amounted to £58,982 (2020: £231,641).

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	730	11,862
Amounts owed by group undertakings	24,195	-
Other debtors	49,598	2,780
Prepayments and accrued income	60,865	54,103
	135,388	68,745
Deferred tax asset (note 11)	266,862	169,347
	402,250	238,092

At the year end amounts owed by group undertakings are repayable on demand at the option of both the lender and borrower.

During the year ending 31 March 2022 the deferred tax asset is expected to reverse by £20,000 due to capital allowances anticipated to be higher than depreciation.

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	122,386	91,058
Amounts due to group undertakings	822,724	794,890
Other taxation and social security	81,350	38,178
Other creditors	171,699	79,399
Accruals and deferred income	516,985	559,028
	1,715,144	1,562,553

At the year end amounts owed to group undertakings are repayable on demand at the option of both the lender and borrower.

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Deferred taxation

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

	2021 £	2020 £
Balances:		
Accelerated capital allowances	266,351	169,347
Retirement benefit obligations	511	-
	<u>266,862</u>	<u>169,347</u>
Movements in the year:		£
At 1 April 2020		(169,347)
Credit to Income statement		(97,515)
		<u>(266,862)</u>
Asset at 31 March 2021		<u>(266,862)</u>

Deferred tax is not recognised in respect of tax losses of £3,264,358 (2020: £3,252,019) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

Brought forward tax losses for year ended 31 March 2021 were £17,128,227 (2020: £17,115,888).

12 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to income statement in respect of defined contribution schemes	<u>15,540</u>	<u>20,858</u>

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

Defined contribution scheme payment accrual recognised as a liability at the year end was £2,043 (2020: £4,346).

13 Share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
41,020,000 Ordinary shares of £1 each	<u>41,020,000</u>	<u>41,020,000</u>

BUCKINGHAMSHIRE GOLF COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Operating lease commitments

Lessee

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

	2021 £	2020 £
Within one year	56,381	56,381
Between two and five years	112,762	192,634
	<u>169,143</u>	<u>249,015</u>

Lessor

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

	2021 £	2020 £
Within one year	221,512	58,750
Between two and five years	140,000	221,250
	<u>361,512</u>	<u>280,000</u>

15 Related party transactions

The company is a wholly-owned subsidiary of the Arora Family Trust No.2 and utilises the exemption contained in Financial Reporting Standards 102 'Related Party Disclosures' not to disclose any transactions with wholly-owned entities that are part of the group.

16 Ultimate controlling party

The immediate parent of the company is Buckinghamshire Park Resort (Holdings) Limited, a company registered in the United Kingdom.

The ultimate parent entity is Arora Family Trust No. 2, a trust registered in Jersey, and the parent of the largest group for which group accounts are drawn up and of which the company is a member.

The ultimate controlling entity of the company is Apex Financial Services (Trustees) Limited, a regulated trust company administered in Jersey.