Registered number: 02460827

DONNINGTON VALLEY GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 DECEMBER 2021

COMPANY INFORMATION

Directors	A G McKenzie M V Morris B Wilkinson
Registered number	02460827
Registered office	Buckingham House West Street Newbury Berkshire RG14 1BE
Independent auditor	James Cowper Kreston Chartered Accountants and Statutory Auditor 2 Communications Road Greenham Business Park Greenham Newbury Berkshire RG19 6AB

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STRATEGIC REPORT
FOR THE YEAR ENDED 30 DECEMBER 2021

BUSINESS REVIEW

The company is a four star luxury hotel with spa and golf facilities which targets both the business and leisure traveller.

During the year to 30th December 2021, trading conditions have improved with revenue increasing by 84%, which was largely as a return to normal business following the coronavirus pandemic.

Cost remained largely in line with the prior year and contributed to the company reporting a trading loss before taxation of £372,156 (2020: £1,954,360).

The company continues to invest heavily in capital expenditure despite the impact of the Covid-19 pandemic and the new bespoke wedding barn is now complete following a significant capital outlay from which the directors are confident that significant benefits will arise in future years.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors actively monitor a number of key performance indicators as follows:

Turnover - Increase of 84% on prior year

Gross profit margin - Consistent with the prior year at 85%

EBITDA - loss of £144,520 in 2021 and loss of £1,439,277 in 2020

The directors also monitor a number of hotel related KPIs in respect of, but not limited to, average room rate and occupancy.

PRINCIPAL RISKS AND UNCERTAINTIES

The company uses various financial instruments including cash, loans and items such as trade debtors and trade creditors that arise directly from its operations. The purpose of these financial instruments is to raise finance for the company's operations.

The risks arising from the company's financial instruments are liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and these policies have remained unchanged from previous years.

Liquidity risk

The company manages financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and invest cash assets safely and profitably. The company has a significant bank loan due for refinancing as mentioned in note 2.3 .

Interest rate risk

The company uses loans to finance the expansion and improvement of the facilities which in the long term improve profitability. Any interest rate risk is hedged through interest rate swaps. No interest is payable on inter company balances. The company's cash assets are all held in floating rate deposit accounts. Trade debtors and creditors do not attract interest.

Credit risk

The company's principal financial assets are cash and trade debtors. To manage trade debtor credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

The company manages financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Covid-19

At the date of this report the situation with regards to Covid-19 is significantly improved, with all legal restrictions impacting the hotel having been lifted. Whilst some risks remain, the company is trading successfully and the directors believe that the company is well placed for the future.

FUTURE DEVELOPMENTS

2022 will see the continuation of a five year capital investment plan with the completion of a bespoke Wedding and Events Barn which will create diversification across the portfolio.

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

M V Morris
Director

A G McKenzie
Director

Date: 18 August 2022

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 DECEMBER 2021

The directors present their report and the financial statements for the year ended 30 December 2021.

Principal activity

The principal activity of the Company during the year continued to be that of running a hotel, including a spa and golf club.

Directors

The directors who served during the year were:

A G McKenzie
M V Morris
B Wilkinson

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

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

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

Results and dividends

The loss for the year, after taxation, amounted to £372,156 (2020 - loss £1,954,360).

The directors do not recommend a dividend for the year ended 31 December 2021 (2020: £NIL).

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 DECEMBER 2021

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

Post year end the Company's external bank debt was repaid in full.

Auditor

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

M V Morris	**A G McKenzie**
Director	Director
Date: 18 August 2022	Date: 18 August 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON VALLEY GROUP LIMITED

Opinion

We have audited the financial statements of Donnington Valley Group Limited (the 'Company') for the year ended 30 December 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 December 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.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON VALLEY GROUP LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON VALLEY GROUP LIMITED (CONTINUED)

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON VALLEY GROUP LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

Jonathan Baillie BA (Hons) FCCA ACA (Senior Statutory Auditor)

for and on behalf of
James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

30 August 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	**4,533,760**	2,470,103
Cost of sales		**(651,510)**	(417,218)
Gross profit		**3,882,250**	2,052,885
Administrative expenses		**(4,399,214)**	(4,603,425)
Other operating income		**437,638**	907,263
Operating loss		**(79,326)**	(1,643,277)
Interest payable and similar expenses	9	**(292,830)**	(311,083)
Loss before tax		**(372,156)**	(1,954,360)
Loss for the financial year		**(372,156)**	(1,954,360)

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

The notes on pages 12 to 23 form part of these financial statements.

BALANCE SHEET
AS AT 30 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	11		**17,982,007**		16,313,848
Investments	12		**102**		102
			17,982,109		16,313,950
Current assets					
Stocks	13	**90,278**		79,487	
Debtors: amounts falling due within one year	14	**446,208**		2,035,200	
Cash at bank and in hand	15	**382,136**		42,197	
		918,622		2,156,884	
Creditors: amounts falling due within one year	16	**(33,304,202)**		(32,502,149)	
Net current liabilities			**(32,385,580)**		(30,345,265)
Total assets less current liabilities			**(14,403,471)**		(14,031,315)
Net liabilities			**(14,403,471)**		(14,031,315)
Capital and reserves					
Called up share capital	19		**1,000,000**		1,000,000
Profit and loss account	20		**(15,403,471)**		(15,031,315)
			(14,403,471)		(14,031,315)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M V Morris
Director

Date: 18 August 2022

A G McKenzie
Director

Date: 19 August 2022

The notes on pages 12 to 23 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 DECEMBER 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2019	**1,000,000**	**(13,076,955)**	**(12,076,955)**
Comprehensive income for the year			
Loss for the year	**-**	**(1,954,360)**	**(1,954,360)**
At 31 December 2020	**1,000,000**	**(15,031,315)**	**(14,031,315)**
Comprehensive income for the year			
Loss for the year	**-**	**(372,156)**	**(372,156)**
At 30 December 2021	**1,000,000**	**(15,403,471)**	**(14,403,471)**

The notes on pages 12 to 23 form part of these financial statements.

1. General information

Donnington Valley Group Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is Buckingham House, West Street, Newbury, Berkshire, RG14 1BE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company has a year end of 30 December 2021, however the financial statements include all transactions up to and including 31 December 2021, a policy permitted under Companies Act 2006 section 390.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. The financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Stockford Limited as at 31 December 2021 and these financial statements may be obtained from Buckingham House, West Street, Newbury, Berkshire, England, RG14 1BE.

2. Accounting policies (continued)

2.3 Going concern

The Company has made a loss during the year and at the year end had net liabilities of £14,403,471. The company was affected by Covid 19 in 2021 and used government support schemes, most particularly the Coronavirus Job Retention Scheme. Post year end trading however has been strong.

The Company had a significant level of debt due for repayment in July 2020, but this was extended to August 2021 and subsequently to August 2022. In July 2022 all of the Company's external bank debt was repaid in full.

The parent company Stockford Limited has agreed to provide support and has confirmed to the Company that it will make available sufficient financial resources as required to enable the Company to meet its short term liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

In conclusion the directors consider that the Company will have adequate cash and other liquid resources to meet its commitments, and therefore the financial statements are appropriately prepared on a going concern basis.

2.4 Revenue

The turnover shown in the Statement of Income and Retained Earnings represents the value of goods and services provided during the year, stated net of discounts and value added tax. Turnover can be split into two main areas:

Sale of accommodation:

Turnover in relation to the provision of accommodation is recognised over the period of stay in the hotel. Where a customer pays in advance of their stay that turnover is deferred accordingly.

Sale of food, beverages, leisure and sundry goods:

Turnover in relation to the provision of food, drink and other goods is recognised at the point the sale of the items is made to the customer.

Sale of memberships: Membership income is recognised on the basis of the amounts receivable for the year.

2.5 Tangible fixed assets

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

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

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Freehold property	- 0% Straight line
Plant and machinery	- 10-33% Straight line
Motor vehicles	- 25% Straight line
Fixtures and fittings	- 20% Straight line
Assets under construction	- 0% Straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

The condition and upkeep of the freehold property is carried out on a continuous basis by the company with any payments being charged to the profit and loss account as it arises. This depreciation policy reflects the expected benefits of such assets and provides consistency with the depreciation methods used by other entities within the same industry.

In accordance with GAAP (Generally Accepted Accounting Practice), the assets under construction do not begin to be depreciated until they come into use. Once assets under construction come into use they are transferred to the relevant categories and commence being depreciated if applicable.

2.6 Government grants

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

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

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

2.9 Debtors

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

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2. Accounting policies (continued)

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historic experience and other factors that are considered to be applicable. Due to the inherent subjectivity in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis.

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their useful economic lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of the assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management determining the residual values for property, plant and equipment. When determining the residual value management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already in the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021	2020
	£	£
Provision of rooms	**1,795,225**	911,790
Sale of food and beverages	**1,732,644**	849,673
Provision of spa and leisure services	**612,171**	375,322
Memberships	**157,580**	244,615
Provision of sundry services	**236,140**	88,703
	4,533,760	2,470,103

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	**227,636**	204,000
Defined contribution pension costs	**58,396**	66,982

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements:		
Audit-related assurance services	**7,430**	7,140
Services relating to taxation	**2,080**	2,000
	9,510	9,140

7. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	**2,162,590**	2,164,293
Social security costs	**146,950**	151,169
Cost of defined contribution scheme	**58,396**	66,982
	2,367,936	2,382,444

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

	2021 No.	2020 No.
Management and administration staff	**7**	8
Sales and marketing staff	**8**	12
Operational staff	**122**	118
	137	138

8. Directors remuneration

During the year no directors were remunerated through the company (2020: £Nil). During the year retirement benefits were accruing to no directors (2020: Nil) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2021	2020
	£	£
Bank interest payable	**292,830**	311,083

10. Taxation

	2021	2020
	£	£
Total current tax	**-**	-

Factors affecting tax charge for the year

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

	2021	2020
	£	£
Loss on ordinary activities before tax	**(372,156)**	(1,954,360)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**(70,710)**	(371,328)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**70,710**	786
Deferred tax not recognised	**-**	297,673
Adjust deferred tax to average rate of 19.00%	**-**	72,869
Total tax charge for the year	**-**	-

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the main corporation tax rate will increase to 25%.

11. Tangible fixed assets

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Assets under construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 31 December 2020	15,220,384	4,469,136	62,786	2,649,083	2,742,545	25,143,934
Additions	36,263	382,024	-	15,004	1,463,704	1,896,995
Disposals	-	(1,200)	-	-	-	(1,200)
Transfers between classes	4,206,249	-	-	-	(4,206,249)	-
At 30 December 2021	19,462,896	4,849,960	62,786	2,664,087	-	27,039,729
Depreciation						
At 31 December 2020	2,098,793	4,148,381	55,731	2,527,181	-	8,830,086
Charge for the year	-	168,431	3,914	55,291	-	227,636
At 30 December 2021	2,098,793	4,316,812	59,645	2,582,472	-	9,057,722
Net book value						
At 30 December 2021	17,364,103	533,148	3,141	81,615	-	17,982,007
At 30 December 2020	13,121,591	320,755	7,055	121,902	2,742,545	16,313,848

Included in freehold land and buildings is freehold land of £2,898,000 which is not depreciated.

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 31 December 2020	**102**
At 30 December 2021	**102**

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Deanwood Park Limited	Running a golf clubhouse	Ordinary	100 %

13. Stocks

	2021 £	2020 £
Finished goods and goods for resale	**90,278**	79,487

14. Debtors

	2021 £	2020 £
Trade debtors	**175,577**	51,702
Amounts owed by group undertakings	**6,010**	1,746,408
Other debtors	**153,626**	144,185
Prepayments and accrued income	**110,995**	92,905
	446,208	2,035,200

15. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	**382,136**	42,197

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	**11,272,000**	11,272,000
Other loans	**6,520,786**	6,520,786
Trade creditors	**349,622**	363,703
Amounts owed to group undertakings	**14,297,715**	13,966,354
Other taxation and social security	**54,952**	36,392
Other creditors	**-**	4,933
Accruals and deferred income	**809,127**	337,981
	33,304,202	32,502,149

Amounts owed to group undertakings are unsecured, interest free, and are repayable on demand.

Other loans relate to a loan from a director of the Company's ultimate parent company. This loan is repayable on demand and is non-interest bearing.

See note 17 for details on the bank loan.

17. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	**11,272,000**	11,272,000
Other loans	**6,520,786**	6,520,786
	17,792,786	17,792,786

A bank loan of £11,272,000 (2020: £11,272,000) is repayable in full on 22 August 2022. The interest rate is LIBOR plus 2.25%. The loan is secured by a first legal mortgage on one of the freehold properties, along with a fixed and floating charge over all other assets in the company in which the loan is present and cross guarantees of certain group companies.

As outlined in note 2.3, at the date of signing the financial statements the company is in the process of renegotiating its banking facilities.

Post year end the Company's external bank debt was repaid in full.

18. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**717,349**	1,984,492
Financial liabilities		
Financial liabilities measured at amortised cost	**32,440,123**	32,127,776

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors, cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade creditors, bank loans, other loans, amounts owed to group undertakings and other creditors.

19. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
1,000,000 (2020 - 1,000,000) Ordinary shares of £1.00 each	**1,000,000**	1,000,000

20. Reserves

Profit and loss account

The profit and loss account is the Company's accumulated retained profits or losses as at the year end.

21. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted £58,396 (2020: £66,982).

22. Commitments under operating leases

At 30 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	2020
	£	£
Not later than 1 year	**23,303**	38,114
Later than 1 year and not later than 5 years	**2,964**	26,267
	26,267	64,381

23. Related party transactions

The Company is exempt from disclosing related party transactions with other 100% owned members of the Group headed by Stockford Limited by virtue of FRS 102 section 33.1A.

At the year end, included in other loans is a balance of £6,520,786 (2020: £6,520,786) owed to Sir P C Michael CBE, director of Stockford Limited, the parent company of Donnington Valley Group Limited.

24. Post balance sheet events

Post year end the Company's external bank debt was repaid in full.

25. Controlling party

The company considers Stockford Limited, a company incorporated in England and Wales, to be its ultimate parent company throughout the current and previous years. Stockford Limited is the parent of both the largest and smallest groups in which the results of the company are consolidated. Copies of the group financial statements for Stockford Limited are available from its registered office: Buckingham House, West Street, Newbury, Berkshire, England, RG14 1BE.