Stoke Park Limited

Directors' Report and financial Statements

Registered number 02732069

For the year ended 31 December 2020

Contents

Directors and Officers

Directors

S Banerji	Appointed 22nd April 2021
S Varghese	Appointed 22nd April 2021
CM King	

Registered Office

Stoke Park
Park Road
Stoke Poges
Buckinghamshire
SL2 4PG

Auditor

KPMG LLP
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Strategic Report

The directors present their strategic report on the Company for the year ended 31 December 2020.

Review of the business

The Company during 2020 was a wholly owned subsidiary of International Group Limited and operated as part of International Group Limited's leisure division. On the 22nd April 2021 the Company was acquired by Reliance Industrial Investments and Holdings Limited. The Company's principal activities are operating and managing luxury country clubs and hotels in the UK. There have not been any significant changes in the Company's principal activities in the year under review. Post-acquisition, the Company has undertaken a refurbishment of the property. The initial phase of refurbishment was completed in July 2021. The next phase of refurbishment is planned to commence by end of 2021 and to last for a period of 18-24 months. During the refurbishment period, the entire facility will remain closed to the members / public including suspension of Boodles tennis event.

Impact of Brexit

The Company has not been significantly affected by Brexit.

Impact of COVID

The Company was forced to close it's operations at times during the year, in line with Government guidance, as a result of this the turnover and profitability of the business were severely impacted as shown in the financial statements.

Key mitigations

Appropriate P&L expenditure was eliminated. We placed a significant number of our teams on temporary furlough and benefited from the government's decision to stop the payments of business rates. We entered discussions with lenders and successfully negotiated covenant waivers through to loan maturity.

Results and performance

As shown in the Company's profit and loss account on page 9 the Company's turnover has reduced by 49% over the prior year and the Company reported total comprehensive loss in the current year of £2,892,000 *(2019: £422,000)*.

The balance sheet on page 10 of the financial statements shows the Company's financial position at the year-end. Significant events since the balance sheet date which should be considered for a proper understanding of these financial statements are set out in Note 20.

Key performance indicators

International Group Limited manages its operations on a divisional basis. For this reason, the Company's directors believe that further key performance indicators (other than total comprehensive loss stated above) for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the leisure division of International Group Limited, which includes the Company, is discussed in International Group Limited's Annual Report which does not form part of this Report.

Principal risks and uncertainties

Competitive pressure in the UK is a continuing risk for the Company, which could result in it losing sales to its key competitors. To manage this risk, the Company strives to provide added-value services to its customers; prompt response times in the supply of products and services and in the handling of customer queries; and through the maintenance of strong relationships with customers.

The Company's business may be affected by fluctuations in the price and supply of key services and materials, although purchasing policies and practices seek to mitigate, where practicable, such risks.

The Company continues to invest in Stoke Park and is developing further value-added services to increase revenue and profit after tax once the planned refurbishment period ends.

By order of the board

Chester King

C. M. King
Director

Stoke Park, Park Road, Stoke Poges
Buckinghamshire, SL2 4PG
20 October 2021

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2020.

Proposed dividend
The directors do not recommend the payment of a dividend (2019: £nil).

Directors
The directors who held office during the year were as follows:

RM King	Resigned 22nd April 2021
WM King	Resigned 22nd April 2021
CM King	

Employees
It is the Company's policy to provide employees with information concerning their roles and responsibilities. This policy is to ensure opportunities are available at every level to improve employees' and corporate performance. Regular meetings are held which involve directors, managers and staff.

Employee development and equal opportunities
The Company is committed to ensuring it recruits and promotes the right people regardless of gender, disability, age, sexual orientation or race, and is committed to a culture of meritocracy whereby career progression is based on ability. It facilitates opportunity for all employees to progress and regularly reviews policies and practices. It regards its people as its most valuable asset and is committed to investing in them to achieve their full potential, without discrimination.

People with disabilities are given equal opportunity wherever they can fulfil the requirements of the job. If an employee becomes disabled during their employment with the Company every reasonable effort is made to enable them to continue their career within the Company.

Political and charitable contributions
The Company made no charitable contributions *(2019: £740)* and no political donations (2019: £nil) during the year.

Disclosure of information to auditor
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor
Pursuant to Section 487 of the Companies Act 2006, KPMG LLP will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board Chester King

CM King
Director

Stoke Park
Park Road, Stoke Poges
Buckinghamshire SL2 4PG

20 October 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOKE PARK LIMITED

Opinion

We have audited the financial statements of Stoke Park Limited ("the company") for the year ended 31 December 2020 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that membership revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue and cash journals posted to unusual accounts and journals containing key words.
- Testing a sample of membership revenue deferred income calculations to assess whether membership revenue had been recorded in the correct period.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, food hygiene, GDPR and employment laws. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

D Simpson

David Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

22 October 2021

Profit and Loss Account and Other Comprehensive Income

For the year ended 31 December 2020

	Note	2020 £000	2019 £000
Turnover	2	7,602	14,854
Cost of sales		(1,098)	(2,166)
Gross profit		6,504	12,688
Administrative expenses		(9,824)	(12,007)
Operating (loss)/profit		(3,320)	681
(Loss)/Profit on sale of fixed asset		(62)	4
Other income	3	1,277	-
Interest payable and similar expenses	6	(787)	(1,107)
Loss before tax	3	(2,892)	(422)
Taxation	7	-	-
Loss after tax for the financial year		(2,892)	(422)
Other comprehensive loss			
Revaluation loss		-	-
Total other comprehensive loss for the financial year, net of income tax		-	-
Total Comprehensive loss for the financial year		(2,892)	(422)

The above results were derived solely from continuing operations.

Notes from pages 12 to 28 form a part of these financial statements

Balance Sheet
At 31 December 2020

	Note	2020		2019	
		£000	£000	£000	£000
Fixed assets					
Intangible assets	8		43		27
Tangible assets	9		56,358		56,683
			56,401		56,710
Current assets					
Stocks	10	226		302	
Debtors	11	595		789	
Cash at bank and in hand		96		583	
		917		1,674	
Creditors: amounts falling due within one year	12	(38,527)		(36,820)	
Net current liabilities			(37,610)		(35,146)
Total assets less current liabilities			18,791		21,564
Creditors: amounts falling due after more than one year	13		(250)		(131)
Net assets			18,541		21,433
Capital and reserves					
Called up share capital	15		1		1
Revaluation reserve	15		31,230		31,230
Profit and loss account			(12,690)		(9,798)
Shareholder's funds			18,541		21,433

Notes from pages 12 to 28 form a part of these financial statements

There financial statements were approved by the board of directors on 20 October 2021and were signed on behalf by:

Chester King

CM King
Director

Registered number 2732069

Statement of Changes in Equity
For the year ended 31 December 2020

	Called up share capital	Revaluation reserve	Fair value reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2019	1	31,230	-	(9,376)	21,855
Loss for the year	-	-	-	(422)	(422)
Other comprehensive loss	-	-	-	-	-
At 31 December 2019	1	31,230	-	(9,798)	21,433
Loss for the year	-	-	-	(2,892)	(2,892)
Other comprehensive loss	-	-	-	-	-
At 31 December 2020	1	31,230	-	(12,690)	18,541

Notes from pages 12 to 28 form a part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

Stoke Park Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise stated.

The Company's ultimate parent undertaking, at the time of the balance sheet was International Group Limited which has included the Company in its consolidated financial statements. The consolidated financial statements of International Group Limited are prepared in accordance with FRS 102 and are available to the public and can be obtained from the address given in note 17. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

Notwithstanding net current liabilities of £37.6m as at 31 December 2020 and a loss for the year then ended of £2.9m, these financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As explained in note 20 to the financial statements, in April 2021, the company was acquired by Reliance Industrial Investments and Holdings Limited ("immediate parent company"), a company wholly owned by Reliance Industries Limited ("ultimate parent company"). Pursuant to the change in ownership, the company has embarked on a plan for the refurbishment of the Stoke Park Hotel which is in progress at the date of approval of these financial statements. The company further plans to redevelop and redesign the golf course attached to the Stoke Park Hotel. The works on the golf course are expected to commence by end of the year 2021 with an estimate completion around summer of 2023 during which period the hotel is expected to be closed for customers.

Notes *(continued)*

1 Accounting policies *(continued)*

***Basis of preparation** (continued)*

***Going concern** (continued)*

The net current liabilities at the balance sheet date largely relate to a term loan from a financial institution with a face value of £24.24m at the balance sheet date which was due for maturity in June 2021. Upon maturity, the term loan has been extended for a further six months up to 31 December 2021. The company has further secured an additional loan facility of £25m with the same financial institution which is also due to mature on 31 December 2021. At the date of approval of these financial statements, an amount of £21.75m has been drawn down from this facility. Based on informal discussions undertaken with the financial institution, the directors of the company are confident that these facilities will be renewed upon their maturity.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which incorporate reasonably possible downsides including the continuing impact of COVID-19 on both its operations and financial resources. These forecasts are dependent on the ultimate parent company providing continued financial support. The ultimate parent company has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Measurement convention

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings.

Foreign currencies

Transactions in foreign currencies are translated into the Company's functional currency at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the rate of exchange ruling at that date and the gains or losses on translation are included in the profit and loss account.

Notes *(continued)*

1 Accounting policies *(continued)*

Intangible fixed assets and amortisation

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation is charged to the profit and loss account to write off the cost on a straight-line basis over their estimated useful economic lives as follows:

Computer software - 5 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that an intangible asset may be impaired.

Tangible fixed assets and depreciation

Tangible fixed assets, other than long leasehold property and land are stated at cost less accumulated depreciation and accumulated impairment losses. Long leasehold property is stated at fair value less any subsequent accumulated depreciation and impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Depreciation is charged to the profit and loss account to write off the cost less the estimated residual value of each part of an item of tangible fixed assets on a straight-line basis over their estimated useful economic lives as follows:

Long leasehold property and leasehold improvements	-	20 to 100 years (dependent upon the type of improvement)
Plant and machinery	-	5 to 25 years (dependent on type of machinery)
Fixtures and fittings	-	5 to 20 years (dependent on type of fixtures)
Motor vehicles	-	4 years

No depreciation is provided on fine art works included within fixtures and fittings as it is considered that the residual value of these items will be greater than cost.

Included within long leasehold property and leasehold improvements are certain leasehold land and buildings on which no depreciation is provided as the leases all have 100 years and over left to run as at the balance sheet date. It is the Company's practice to maintain these assets in a continual state of sound repair and make improvements thereto from time to time and accordingly the directors consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition or subsequent valuation, are so high that their depreciation is insignificant. Any permanent diminution in value of such properties is charged to profit and loss account as appropriate. On an annual basis the directors consider the appropriateness of the assumed useful economic lives for assets which have a useful economic life of greater than 50 years.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Notes *(continued)*

1 Accounting policies *(continued)*

Revaluation

As stated above, long leasehold property is stated at fair value less any subsequent accumulated depreciation and impairment losses.

Gains on revaluation are recognised in other comprehensive income and accumulated in a revaluation reserve within equity. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss.

Losses arising on revaluation are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any excess is recognised in profit or loss.

Leases

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease, or if it cannot be determined, by using the lessee's incremental borrowing rate.

Stocks and work in progress

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition.

Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents, comprises cash in hand and call deposits.

Notes *(continued)*

1 Accounting policies *(continued)*

Other financial instruments
Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship are accounted for in accordance with paragraphs 12.23 or 12.24 of chapter 12 of FRS 102.

Derivative financial instruments
Derivative financial instruments, including interest rate swaps and forward foreign exchange contracts are not Basic Financial Instruments. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into. These are remeasured to fair value at each reporting date with the gain or loss on remeasurement recognised immediately in profit or loss in finance income or finance costs as appropriate, unless they are included in a hedging arrangement.

The Company has not entered into any hedging arrangements.

Impairment
Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non financial assets
The carrying amounts of the Company's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying

1 Accounting policies *(continued)*

amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Financial guarantee contracts

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. Turnover is recognised when goods and services have been supplied to and accepted by the Company's clients.

Fees are recognised over the period of the relevant assignments or agreements.

Turnover from transactions where goods or services are sold in exchange for dissimilar goods or services are measured at the fair value of the goods and services received, adjusted by any cash or cash equivalent paid. These transactions are described within these accounts as Barter Transactions.

Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease, or if it cannot be determined, by using the lessee's incremental borrowing rate. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Notes *(continued)*

1 Accounting policies *(continued)*

Interest receivable and interest payable
Interest payable and similar expenses include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are expensed as incurred.

Other interest receivable and similar income include interest receivable on deposits repayable on demand and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Government Grants

Government grants are credited to the profit and loss account on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. These have been presented in the profit and loss account as other income.

Notes *(continued)*

1 Accounting policies *(continued)*

Accounting estimate and judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- Valuation of leasehold property

2 Turnover

In the opinion of the directors, turnover and the (loss) before taxation arose in the same class of business and geographical market for the current and preceding year. All income is derived solely in the United Kingdom. Within turnover £10,000 is attributable to barter transactions recognised during year *(2019: £28,000).*

3 Expenses, other income and auditor's remuneration

	2020 £000	2019 £000
Profit/loss is stated after charging/(crediting):		
Audit of these financial statements	65	26
Amortisation of intangible assets	13	9
Depreciation of owned tangible assets	570	543
Depreciation of leased assets	562	557
Loss/(Profit) on sale of fixed asset	264	(4)

Other income comprises government grants totalling £1.277 million, received under the Coronovirus Job Retention Scheme (CJRS) , of which £Nil remains outstanding at the year end within other debtors. The amounts received have been recognised in the financial statements under the accruals model.

Notes *(continued)*

4 Remuneration of directors

Directors are paid by the ultimate parent company, International Group Limited, for services they perform on behalf of Stoke Park Limited. The notional allocation of the costs to the company for this service was £197,000 *(2019: £89,000).*

5 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2020	2019
Management	**7**	8
Administration	**38**	39
Operational	**165**	195
	210	242

The aggregate payroll costs of these persons were as follows:

	2020 £000	2019 £000
Wages and salaries	**4,655**	5,273
Social security costs	**430**	509
Other pension costs	**107**	134
	5,192	5,916

6 Interest payable and similar expenses

	2020 £000	2019 £000
Interest on bank loans and overdrafts	**750**	**1,062**
Interest payable on finance leases	**33**	**38**
Other interest payable	**4**	**7**
	787	**1,107**

Notes *(continued)*

7 Taxation

	2020 £000	2019 £000
Current tax		
Current UK tax on income for the year	-	-
Total current tax	-	-
Deferred tax		
- current year		
- prior year	-	-
	-	-
Total deferred tax	-	-
Total tax	-	-

Reconciliation of effective tax rate

The total tax expense for the year is higher *(2019: higher)* than the standard rate of corporation tax in the UK: 19.00% *(2019: 19.00%)*. The differences are explained below:

Total tax reconciliation	2020 £000	2019 £000
Loss before tax	(2,892)	(422)
Tax using the UK Corporation tax of 19.00% *(2018: 19.00%)*	(549)	(80)
Effects of:		
Difference between depreciation and capital allowances	291	20
Adjustment in respect of prior years	-	-
Effect of change in tax rate	21	-
Tax losses and other timing differences for which deferred tax asset has not been recognised	237	60
Total tax expense (see above)	-	-

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1st April 2020) was substantively enacted on 6th September 2016. The March 2020 budget announced that a rate of 19% would continue to apply with effect from April 2020 and this change was substantively enacted on 17th March 2020. The UK deferred tax asset/(liability) as at 31st December 2020 was calculated at 19% (2019: 19%).

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. The impact of the announced future rate change on the financial statements is not considered material.

Notes *(continued)*

8 Intangible assets

	Computer software	Total
	£000	**£000**
Cost		
At beginning of the year	**104**	**104**
Additions	**29**	**29**
At end of the year	**133**	**133**
Amortisation		
At beginning of the year	**77**	**77**
Charge for the year	**13**	**13**
At end of the year	**90**	**90**
Net book value		
At 31 December 2020	**43**	**43**
At 31 December 2019	**27**	**27**

All amortisation is recognised through the profit and loss account in administrative expenses.

Notes *(continued)*

9 Tangible fixed assets

	Long leasehold property and leasehold improvements £000	Plant and machinery £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost or valuation					
At beginning of the year	53,387	5,140	5,173	120	63,820
Additions	439	405	267	17	1,128
Disposals	-	(8)	(263)	(61)	(332)
At end of the year	53,826	5,537	5,177	76	64,616
Depreciation					
At beginning of the year	557	4,064	2,449	67	7,137
Charge for year	562	345	221	4	1,132
On disposals	-	(3)	-	(8)	(11)
At end of the year	1,119	4,406	2,670	63	8,258
Net Book Value					
At 31 December 2020	52,707	1,131	2,507	13	56,358
At 31 December 2019	52,830	1,076	2,724	53	56,683

The cost of fixtures and fittings includes £1,437,000 *(2019: £1,700,000)* of assets which are not subjected to depreciation. Included within long leasehold property and leasehold improvements is long leasehold land of £401,000 (2019: £401,000) which is not subject to depreciation.

Included within plant and machinery are assets held under finance leases with a cost of £480,000 *(2019: £331,000)* and a net book value of £381,000 *(2019: £262,000)*. Depreciation of £67,000 *(2019: £44,000)* was charged on these assets during the year.

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS 102, Section 18, and in respect of historical cost, paragraph 34 of Schedule 1 of the Regulations.

Notes *(continued)*

9 Tangible fixed assets *(continued)*

Class of assets – Long leasehold property and leasehold improvement

	2020 £000	2019 £000
At existing use value		
11 January 2019 Full valuation	55,000	55,000
Less: non-leasehold assets included within revaluation, remaining at cost	(1,780)	(1,780)
Additions thereon	439	167
Aggregate depreciation thereon	(1,119)	(557)
Net book value	52,540	52,830
Historical cost of revalued assets	29,872	29,433
Aggregate depreciation thereon	(7,310)	(6,847)
Historical cost net book value	22,562	22,586

The long leasehold land and buildings (comprising Stoke Park, Park Road, Stoke Poges, Buckinghamshire, SL2 4PG) together with certain other assets based at Stoke Park were professionally valued by an independent valuer on 11 January 2019 at £55 million. The fair value was measured using the discounted cash flow method. Key assumptions of this calculation include sustainable EBITDA for the next five years, exit yield and appropriate discount rate.

The directors have assessed that the fair value of the long leasehold property and leasehold improvement at the balance sheet date is materially consistent with the net book value above taking into account informal discussions with valuation advisors, maintenance, upkeep and improvements carried out since the previous full revaluation and other publicly available market data.

The tax liability that would arise if these property assets were realised at the revalued amounts included above is shown in note 14.

10 Stocks

	2020 £000	2019 £000
Finished goods and goods for resale	226	302
	226	302

Notes *(continue*

11 Debtors

	2020 £000	2019 £000
Trade debtors	275	298
Other debtors	182	213
Prepayments and accrued income	138	278
	595	789

12 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Bank loan and overdrafts	26,700	28,853
Obligations under finance leases	155	87
Trade creditors	541	511
Taxation and Social Security	190	344
Amount owed to Group Undertakings	8,357	4,700
Other creditors	326	397
Accruals and deferred income	2,258	1,928
	38,527	36,820

Notes *(continued)*

13 Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Bank loan	66	-
Obligations under finance leases	184	131
	250	131

Analysis of debt:

	2020 £000	2019 £000
Debt can be analysed as falling due (based on original maturity):		
Within one year	26,700	28,853
Within two years	66	-
After two years	-	-

On 29 July 2016, the Company entered into a £35.8 million facility with HSBC, due for repayment in instalments over a five-year period up to the expiry date of 30 June 2021 with quarterly repayments of £0.3 million since June 2017. The loan carries interest at Sterling LIBOR plus 2.25 percent.
In December 2018 the Company agreed to amended terms with HSBC whereby the loan would be reduced during 2019 by a one-off repayment of £8 million, which was completed in August 2019. The quarterly repayments then reduced to £125,000, the remaining balance of £24 million was repaid on 30 June 2021.

The loan agreement required the company to comply with certain financial covenants. As at the balance sheet date the company had breached these covenants. On 22nd February 2021 the bank agreed to waive its rights in relation to the above breach and also waived further covenant testing until the loan maturity date

On 30 June 2021, the Company entered into a £24.2 million facility with HSBC. This facility is due for repayment on the expiry date of 31 December 2021.

On 15 January 2018 the Company entered into a £3,700,000 loan facility with HSBC. This facility was fully repaid in March 2020.

On 19th October 2020 the Company entered into a £3,000,000 loan facility with HSBC which was further increased on 16th April 2021 to £4,200,000. The loan carries interest at Sterling LIBOR plus 3.0 percent. This facility was fully repaid in July 2021.

On 29th April 2021, the Company entered into a £5,000,000 Money Market Loan facility with HSBC which was increased on 1st July 2021 to £20,000,000 and further increased on 15th October 2021 to £25,000,000. This facility is due for repayment on the expiry date of 31 December 2021. At the date of approval of these financial statements, an amount of £21.75m has been drawn down from this facility.

The bank loans are secured by a company debenture, a fixed and floating charge over leasehold and freehold land and property, a fixed charge over book and other debts and a composite multilateral guarantee.

Notes *(continued)*

The maturity of obligations under finance leases is as follows:

	2020 £000	2019 £000
Within one year	155	87
Within two to five years	184	131
	339	218

14 Deferred taxation

As at the balance sheet date a deferred tax asset of £59,000 *(2019: liability £178,000)* has arisen from the normal trading activities of the Company. The directors do not feel that it is appropriate to recognise this deferred tax asset in light of current trading conditions.

The elements of deferred taxation are as follows:

	2020 £000	2019 £000
Difference between accumulated depreciation and capital allowances	(2,228)	(1,830)
Tax losses carried forward	2,287	1,652
	59	(178)

Deferred tax has not been provided in respect of the potential liability on the disposal of the Company's long leasehold property as it is not anticipated that the property will be disposed of in the foreseeable future. The estimated amount of tax that would be payable if the properties were sold for their current values is £1,166,000 *(2019: £1,690,000).*

15 Capital and reserves

Called up share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
1000 ordinary shares of £1 each	1	1
Shares classified as shareholder's equity	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Revaluation reserve

Where tangible fixed assets are revalued or reclassified as investment property, the cumulative increase in the fair value of the property at the date of revaluation in excess of any previous impairment losses is included in the revaluation reserve.

Notes *(continued)*

16 Pension scheme

The pension cost charge for the period represents contributions payable by the Company to the fund and amounted to £107,000 *(2019: £134,000)*. There were no prepaid or outstanding contributions at either the beginning or the end of the financial year *(2019: nil)*.

17 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The company's immediate parent undertaking at the time of the balance sheet was Stoke Park Club Limited and the ultimate parent undertaking was International Group Limited, both of which are incorporated in the UK. The Company was controlled by International Group Limited which controls 100% of the Company's voting rights.

The largest and smallest group in which the results of the Company are consolidated is International Group Limited. The consolidated financial statements of International Group Limited, within which this Company is included can be obtained from Capswood 1, Oxford Road, Denham. UB9 4LH.

The Company was acquired on the 22nd April 2021 by Reliance Industrial Investments and Holdings Limited.

18 Related party transactions

The company was controlled by International Group Limited at the time of the balance sheet, the ultimate parent undertaking, which controlled 100% of the company's voting rights. The company has a trading creditor balance with International Group Limited, which was repaid as part of the sale.

19 Commitments

At the end of the financial year the Company had no unprovided capital commitments *(2019: nil)*.

20 Subsequent events

Subsequent to the year end, on 22nd April 2021 100% of the shares were sold to Reliance Industrial Investments and Holdings Limited, Registered office - 9th Floor, Maker Chambers Iv, 222, Nariman Point, Mumbai Maharashtra India 400021, India.

Pursuant to the change in ownership, the company has embarked on a plan for the refurbishment of the Stoke Park Hotel which is in progress at the date of approval of these financial statements. The company further plans to redevelop and redesign the golf course attached to the Stoke Park Hotel. The works on the golf course are expected to commence by end of the year 2021 with an estimate completion around summer of 2023 during which period the hotel is expected to be closed for customers

On June 30, the Company borrowed £24.4 million under a term loan agreement HSBC and used all of the proceeds to repay existing long-term debt. The new loan is payable on maturity on December 31, 2021 which can be extended, if necessary. The Company may prepay the loans at any time without penalty.

On 29th April 2021, the Company entered into a £5,000,000 Money Market Loan facility with HSBC which was increased on 1st July 2021 to £20,000,000 and further increased on 15th October 2021 to £25,000,000. This facility is due for repayment on the expiry date of 31 December 2021. At the date of approval of these financial statements, an amount of £21.75m has been drawn down from this facility.