

## Boatfolk Marinas Limited

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Number 02746437



# Boatfolk Marinas Limited

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## Company Information

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<b>Directors</b>	M A C Prideaux R J Reddyhoff H E McCarthy L D Shotts S N Haigh
<b>Registered number</b>	02746437
<b>Registered office</b>	Deacons House Bridge Road Bursledon Southampton SO31 8AZ
<b>Independent auditor</b>	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

# Boatfolk Marinas Limited

## Strategic Report For the Year Ended 31 March 2023

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### Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2023.

### Business review

The principal activities of the company are owning and operating leisure infrastructure in the form of eleven nationwide prime coastal marinas across the UK. Development and provision of leisure related facilities and services, including food and beverage is also a continued focus for building on our customer experience offering. The brand focuses on having fun afloat to increase appeal to the next generation of boaters, making the brand more accessible, and putting the focus firmly on our customers and their experience.

Boatfolk continues to hold a leading position in its markets. There are significant barriers to entry in the sector, with the high costs of new build marina development, space restrictions, strict planning requirements and environmental considerations. Investment by Boatfolk in infrastructure and services continues, along with activities undertaken by subsidiary undertakings.

The security of predictable recurring income streams derived from property assets reinforces the fact that Boatfolk Marina Group is a UK leisure infrastructure backed business with the ability to draw on a number of operational aspects to enhance its profitability and value. Its strong physical foundations provide a strong financial foundation alongside add-on services which facilitate improved customer experience and retention.

### Financial performance

The company's annual turnover of £21.6m for the financial year ending 31 March 2023 has increased by 13% compared to the previous year. This is driven by a combination of factors including the return from capital investment undertaken at key sites, expansion of our add-on services and the maturing of the brand together with strong retention and demand for berths in the marina sector.

The directors are pleased with the performance of the business for this financial period. We are progressing positively given the ongoing economic challenges, and whilst remaining cautious, the business is confident it has the necessary skills, resources and leadership to continue its growth strategy and to seek out opportunities in the wider marketplace.

The board will continue to carry out regular strategic reviews and maintain a close working relationship with its bankers, customers and suppliers. The company is committed to ensuring a safe working environment through a strong promotion of a Health & Safety culture and has been proactive in Health & Safety training and audits throughout the year.

### Financial key performance indicators

The following financial key performance indicators (KPIs) are the most effective measure of progress towards the company's objectives and are closely monitored throughout the year.

	2023 £'000	2022 £'000
Turnover	21,597	19,120
EBITDA *	6,572	6,285

\* EBITDA is operating profit before depreciation and amortisation.

The directors also monitor non-financial key performance indicators.

# Boatfolk Marinas Limited

## Strategic Report (continued) For the Year Ended 31 March 2023

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### Principal risks and uncertainties

The company conducts regular meetings to evaluate and assess the company's risk appetite. The company's operations expose it to a variety of financial risks that include the effects of price risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

#### Consumer spending

The leisure marine market is sensitive to many economic factors including interest rates, property prices, inflation and foreign exchange rates, all of which affect consumer spending. The company aims to focus on a product offering that appeals to a wide range of customers, thereby mitigating where possible, any negative impact of adverse economic conditions.

#### Price risk

The company is exposed to price risk due to normal inflationary pressures in the purchase price of goods and services in the UK and are constantly reviewing and optimising the cost base where possible.

#### Interest rate risk

Following the September 2020 re-financing of the business, the company's only interest charge is incurred on inter-company debt. Therefore the risk has been minimised.

#### Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk. Currently, there are no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

#### Liquidity risk

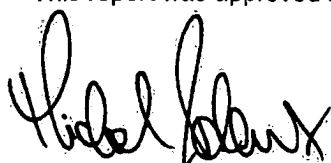
The company actively maintains short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

#### Competition

The private leisure industry is of a competitive nature but with a small number of top players. The company recognises the importance of best in class customer service levels and facilities on offer, alongside employing and retaining highly skilled people. The business recognises that employees are critical to success and is actively investing in building the Boatfolk employment brand and integrating the company vision and values across the group.

This report was approved by the board on 09/11/23

and signed on its behalf.



**M A C Prideaux**  
Director

# Boatfolk Marinas Limited

## Directors' Report For the Year Ended 31 March 2023

The directors present their report together with the audited financial statements for the year ended 31 March 2023.

### Results and dividends

The loss for the year, after taxation, amounted to £813,972 (2022 - profit £603,309).

The directors do not recommend the payment of a dividend.

### Directors

The directors who served during the year were:

M A C Prideaux  
R J Reddyhoff  
H E McCarthy  
L D Shotts  
S N Haigh

### Future developments

Information on the likely future developments of the group has been included in the strategic report.

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

### 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

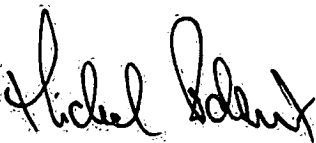
There have been no significant events affecting the company since the year end.

### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 09/11/23

and signed on its behalf.



M A C Prideaux  
Director

# **Boatfolk Marinas Limited**

## **Directors' Responsibilities Statement For the Year Ended 31 March 2023**

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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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Boatfolk Marinas Limited

## Independent Auditor's Report to the Members of Boatfolk Marinas Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Boatfolk Marinas Limited ("the company") for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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

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

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

# **Boatfolk Marinas Limited**

## **Independent Auditor's Report to the Members of Boatfolk Marinas Limited**

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### **Other information**

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

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting**

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

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

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

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

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

### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the 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.



# Boatfolk Marinas Limited

## Independent Auditor's Report to the Members of Boatfolk Marinas Limited

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### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation.

The company is also subject to laws and regulations where the consequence of non compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety and employment law.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Obtaining an understanding of controls designed to prevent and detect irregularities, including specific consideration of controls and group accounting policies relating to significant accounting estimates;
- Communicating potential fraud risks to all engagement team members and remained alert to any indications of fraud throughout the audit; and
- Assessing journals entries as part of our planned audit approach, with a particular focus on journal entries to key financial statement areas such as revenue, fixed assets and journals raised after the year end.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override.

# Boatfolk Marinas Limited

## Independent Auditor's Report to the Members of Boatfolk Marinas Limited

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### Auditor's responsibilities for the audit of the financial statements (continued)

Our procedures in respect of the above included:

- Testing all unexpected journals to revenue; and
- Assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

### Use of our report

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

DocuSigned by:

Steve Le Bas

**Stephen Le Bas** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Southampton  
United Kingdom  
09 November 2023

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

# Boatfolk Marinas Limited

## Statement of Comprehensive Income For the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	21,596,839	19,119,543
Cost of sales		(3,163,719)	(2,459,755)
<b>Gross profit</b>		<b>18,433,120</b>	<b>16,659,788</b>
Administrative expenses		(18,288,377)	(15,062,166)
Other operating income	5	-	3,395
<b>Operating profit</b>	6	<b>144,743</b>	<b>1,601,017</b>
Interest receivable and similar income	9	5,621	373
Interest payable and similar charges	10	(863,468)	(661,709)
<b>(Loss)/profit before tax</b>		<b>(713,104)</b>	<b>939,681</b>
Tax on (loss)/profit	11	(100,868)	(336,372)
<b>(Loss)/profit for the financial year</b>		<b>(813,972)</b>	<b>603,309</b>
<b>Other comprehensive income for the year</b>			
Unrealised (deficit)/surplus on revaluation of tangible fixed assets		(2,248,828)	24,339,536
Deferred taxation on unrealised (deficit)/surplus on revaluation of tangible fixed assets		1,068,975	(5,049,175)
<b>Other comprehensive (loss)/income for the year</b>		<b>(1,179,853)</b>	<b>19,290,361</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>(1,993,825)</b>	<b>19,893,670</b>

The notes on pages 12 to 28 form part of these financial statements.

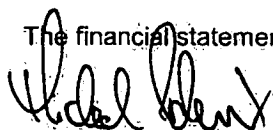
# Boatfolk Marinas Limited

Registered number: 02746437

## Balance Sheet As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Intangible assets	12		5,229,353		6,949,896
Tangible assets	13		98,569,167		98,483,913
Investments	14		100		100
			<u>103,798,620</u>		<u>105,433,909</u>
<b>Current assets</b>					
Stocks	15	161,963		194,917	
Debtors: amounts falling due within one year	16	12,055,866		7,902,539	
Cash at bank and in hand		1,849,237		5,080,815	
			<u>14,067,066</u>		<u>13,178,271</u>
Creditors: amounts falling due within one year	17	(65,868,186)		(63,518,889)	
<b>Net current liabilities</b>			<u>(51,801,120)</u>		<u>(50,340,618)</u>
<b>Total assets less current liabilities</b>			<u>51,997,500</u>		<u>55,093,291</u>
Creditors: amounts falling due after more than one year	18		(21,383)		(177,845)
<b>Provisions for liabilities</b>					
Deferred tax	20		(7,922,833)		(8,868,337)
<b>Net assets</b>			<u>44,053,284</u>		<u>46,047,109</u>
<b>Capital and reserves</b>					
Called up share capital	21		70,000		70,000
Revaluation reserve	22		57,883,654		60,132,482
Profit and loss account	22		(13,900,370)		(14,155,373)
<b>Total equity</b>			<u>44,053,284</u>		<u>46,047,109</u>

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



**M A C Prideaux**  
Director

Date: 09/11/23

The notes on pages 12 to 28 form part of these financial statements.

# Boatfolk Marinas Limited

## Statement of Changes in Equity For the Year Ended 31 March 2023

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	70,000	60,132,482	(14,155,373)	46,047,109
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(813,972)	(813,972)
<b>Other comprehensive income</b>				
Surplus on revaluation of freehold and leasehold property	-	(2,248,828)	-	(2,248,828)
Deferred taxation on unrealised surplus on revaluation of tangible fixed assets	-	1,068,975	-	1,068,975
<b>Other comprehensive income for the year</b>	-	(1,179,853)	-	(1,179,853)
<b>Total comprehensive income for the year</b>	-	(1,179,853)	(813,972)	(1,993,825)
Transfer of excess depreciation	-	(691,447)	691,447	-
Transfer between reserves	-	(5,049,175)	5,049,175	-
<b>At 31 March 2023</b>	<b>70,000</b>	<b>53,212,007</b>	<b>(9,228,723)</b>	<b>44,053,284</b>

## Statement of Changes in Equity For the Year Ended 31 March 2022

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2021	70,000	36,067,362	(9,983,923)	26,153,439
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	603,309	603,309
<b>Other comprehensive income</b>				
Surplus on revaluation of freehold and leasehold property	-	24,339,536	-	24,339,536
Tax in respect of other comprehensive income	-	-	(5,049,175)	(5,049,175)
<b>Other comprehensive income for the year</b>	-	24,339,536	(5,049,175)	19,290,361
<b>Total comprehensive income for the year</b>	-	24,339,536	(4,445,866)	19,893,670
Transfer of excess depreciation	-	(274,416)	274,416	-
<b>Total transactions with owners</b>	-	(274,416)	274,416	-
<b>At 31 March 2022</b>	<b>70,000</b>	<b>60,132,482</b>	<b>(14,155,373)</b>	<b>46,047,109</b>

The notes on pages 12 to 28 form part of these financial statements.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 1. General information

Boatfolk Marinas Limited is a private company limited by shares, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page.

### 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 judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The directors have reviewed the going concern basis for the preparation of the accounts and have prepared budgets and cash flow forecasts to 31 March 2027. Based upon these, the directors have concluded the company is a going concern.

At year end the group (of which the company is a member of) has no bank debt (having refinanced it during the previous year) and is funded by loan notes from its majority shareholder, Mansford Opportunities V L.P. These loan notes are not due for repayment until 2025 and have no covenants attributed to them. This allows the directors greater security and autonomy enabling growth and investment in driving the business forward.

Based on the forecasts prepared by the directors and the current trading of the group, the directors conclude the company is a going concern and as such the accounts have been prepared on the going concern basis.

#### 2.3 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);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

# **Boatfolk Marinas Limited**

## **Notes to the Financial Statements (continued) For the Year Ended 31 March 2023**

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### **2. Accounting policies (continued)**

#### **2.3 Financial reporting standard 102 - reduced disclosure exemptions (continued)**

This information is included in the consolidated financial statements of Boatfolk Marina Group Limited as at 31 March 2023 and these financial statements may be obtained from Deacons House, Bridge Road, Southampton, SO31 8AZ.

#### **2.4 Exemption from preparing consolidated financial statements**

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of EE state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

#### **2.5 Revenue**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts due for berth rentals, leasehold berth sales, licence fees, fuel sales and sundry income during the year net of returns, discounts and rebates allowed by the company and value added taxes.

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance and is recognised in the year to which it relates or when the ownerships of the goods passes to the customer and the company retains no continuing involvement or control over the goods.

#### **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 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

#### **2.8 Deferred income**

Deferred income is recognised on invoices that are raised annually. These are released to the income statement on a quarterly basis, one quarter is released each quarter as the service is performed.

#### **2.9 Finance costs**

Finance costs are charged to the statement of comprehensive income 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.

#### **2.10 Borrowing costs**

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 2. Accounting policies (continued)

#### 2.11 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 the statement of comprehensive income 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.

#### 2.12 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of income and retained earnings over its useful economic life.

#### 2.13 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- Over 50 years
Long-term leasehold property	- Over the term of the lease
Plant and machinery	- Over 5 - 25 years and 10%-25% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- Over 5 years

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.



# **Boatfolk Marinas Limited**

## **Notes to the Financial Statements (continued) For the Year Ended 31 March 2023**

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### **2. Accounting policies (continued)**

#### **2.14 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the statement of comprehensive income.

#### **2.15 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

#### **2.16 Stocks**

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

#### **2.17 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.

#### **2.18 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.

#### **2.19 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.

#### **2.20 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.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.20 Financial instruments (continued)

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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the statement of comprehensive income in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

#### 2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 2. Accounting policies (continued)

#### 2.21 Current and deferred taxation (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

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. Although these estimates are based on management's best knowledge of the amount, events or action, actual results may ultimately differ from these estimates.

### 4. Turnover

The whole of the turnover is attributable to the sales of berthing and other marina income to external customers at invoiced amounts less value added tax.

All turnover arose within the United Kingdom.

### 5. Other operating income

	2023 £	2022 £
Government grants receivable	-	3,395

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Amortisation of intangible assets	1,807,166	1,580,981
Depreciation on tangible fixed assets	4,620,117	3,102,829
Defined contribution pension cost	148,507	138,204
Rental costs - operating leases	1,563,653	1,317,588

### 7. Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and for the audit of the company's annual financial statements	31,500	25,000

### 8. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	4,517,814	3,915,515
Social security costs	392,232	337,570
Cost of defined contribution scheme	148,507	138,204
	5,058,553	4,391,289

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

	2023 No.	2022 No.
Berthing operations	126	112
Boatyard operations	35	32
Administration	14	11
	175	155

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 9. Interest receivable and similar income

	2023 £	2022 £
Other interest receivable	<u>5,621</u>	<u>373</u>

### 10. Interest payable and similar charges

	2023 £	2022 £
Bank interest payable	135,000	135,034
Loans from group undertakings	-	113,101
Loss on fair value through profit and loss	728,468	413,574
	<u>863,468</u>	<u>661,709</u>

### 11. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	41,009
Adjustments in respect of previous periods	(22,603)	(166,511)
<b>Total current tax</b>	<u>(22,603)</u>	<u>(125,502)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	87,410	247,793
Adjustment in respect to previous periods	36,061	(281,681)
Change in tax rates	-	495,762
<b>Total deferred tax</b>	<u>123,471</u>	<u>461,874</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>100,868</u>	<u>336,372</u>

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 11. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
(Loss)/profit on ordinary activities before tax	(713,104)	939,681
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(135,490)	178,539
<b>Effects of:</b>		
Expenses not deductible for tax purposes	331,968	375,803
Adjustments to tax charge in respect of prior periods	13,458	(448,192)
Change in deferred tax rate	23,275	495,763
Group relief	(122,774)	(407,342)
Deferred tax not recognised	(9,569)	141,801
<b>Total tax charge for the year</b>	<b>100,868</b>	<b>336,372</b>

#### Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 12. Intangible assets

	Computer software £	Goodwill £	Total £
<b>Cost</b>			
At 1 April 2022	166,926	10,002,824	10,169,750
Additions	86,623	-	86,623
At 31 March 2023	<u>253,549</u>	<u>10,002,824</u>	<u>10,256,373</u>
<b>Amortisation</b>			
At 1 April 2022	33,254	3,186,600	3,219,854
Charge for the year	39,324	1,767,842	1,807,166
At 31 March 2023	<u>72,578</u>	<u>4,954,442</u>	<u>5,027,020</u>
<b>Net book value</b>			
At 31 March 2023	<u>180,971</u>	<u>5,048,382</u>	<u>5,229,353</u>
At 31 March 2022	<u>133,672</u>	<u>6,816,224</u>	<u>6,949,896</u>

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
At 1 April 2022	8,591,148	89,163,485	23,075,046	61,187	16,019	120,906,885
Additions	-	3,580,968	3,350,731	22,500	-	6,954,199
Revaluations	379,176	(2,628,004)	-	-	-	(2,248,828)
At 31 March 2023	8,970,324	90,116,449	26,425,777	83,687	16,019	125,612,256
<b>Depreciation</b>						
At 1 April 2022	524,042	9,880,465	11,975,718	26,950	15,797	22,422,972
Charge for the year	119,823	3,077,791	1,412,742	9,705	56	4,620,117
At 31 March 2023	643,865	12,958,256	13,388,460	36,655	15,853	27,043,089
<b>Net book value</b>						
At 31 March 2023	8,326,459	77,158,193	13,037,317	47,032	166	98,569,167
At 31 March 2022	8,067,106	79,283,020	11,099,328	34,237	222	98,483,913

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold	8,326,459	8,067,106
Long leasehold	77,158,193	79,283,020
	<u>85,484,652</u>	<u>87,350,126</u>



# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 13. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Plant and machinery	205,668	224,804

In 2023, the directors performed an assessment of the fair value of the marina assets, which resulted in a revaluation loss of £2,248,828 which has been debited to other comprehensive income. To support this, the company's marinas (land and buildings, including pontoons and certain other assets), were subject to a full valuation by an independent valuer, at open market value on a fully equipped operational entity basis. The effective date of the revaluations was 31 March 2023.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023 £	2022 £
Cost	54,377,285	50,796,317
Accumulated depreciation	(9,434,332)	(8,369,689)
Net book value	44,942,953	42,426,628

### 14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	100
At 31 March 2023	100

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 14. Fixed asset investments (continued)

#### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Quay Marinas Group Limited	Ordinary	100%
Quay Marinas Limited *	Ordinary	100%
Portland Marina Limited	Ordinary	100%

\* Quay Marinas Limited is indirect subsidiary undertaking of the company and is owned directly by Quay Marinas Group Limited.

The subsidiaries registered address are all Deacons House, Bridge Road, Southampton, SO31 8AZ.

All companies are dormant.

### 15. Stocks

	2023 £	2022 £
Fuel and boatcare stock	161,963	180,498
Work in progress	-	14,419
	<u>161,963</u>	<u>194,917</u>

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 16. Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	905,704	1,628,198
Amounts owed by group undertakings	10,290,097	5,804,748
Other debtors	1,224	23,675
Prepayments and accrued income	520,972	130,653
Tax recoverable	337,869	315,265
	<u>12,055,866</u>	<u>7,902,539</u>

### 17. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,931,580	985,580
Amounts owed to group undertakings	51,819,373	51,838,990
Other taxation and social security	600,308	806,476
Obligations under finance lease and hire purchase contracts	55,654	55,654
Other creditors	1,534,722	594,490
Accruals and deferred income	9,926,549	9,237,699
	<u>65,868,186</u>	<u>63,518,889</u>

Obligations under finance lease and hire purchase contracts are secured against the relevant assets concerned.

### 18. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Net obligations under finance leases and hire purchase contracts	21,383	83,014
Accruals and deferred income	-	94,831
	<u>21,383</u>	<u>177,845</u>

Obligations under finance lease and hire purchase contracts are secured against the relevant assets concerned.

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Within one year	55,654	55,654
Between 1-5 years	21,383	83,014
	<u>77,037</u>	<u>138,668</u>

### 20. Deferred taxation

	2023 £	2022 £
At beginning of year	8,868,337	3,357,288
Charged to profit or loss	123,471	461,874
Charged to other comprehensive income	(1,068,975)	5,049,175
<b>At end of year</b>	<u><b>7,922,833</b></u>	<u><b>8,868,337</b></u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	2,336,699	2,215,293
Capital gains	5,589,564	6,658,539
Other timing differences	(3,430)	(5,495)
	<u>7,922,833</u>	<u>8,868,337</u>

### 21. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
70,000 ordinary shares of £1 each	<u>70,000</u>	<u>70,000</u>

# Boatfolk Marinas Limited

## Notes to the Financial Statements (continued) For the Year Ended 31 March 2023

### 22. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Revaluation reserve

This reserves is used to record increases in the fair value of land and buildings and decreases to extent that such decrease relates to an increase on the same asset.

#### Profit and loss account

The company's statement of comprehensive income includes the accumulated profits and losses of the company less any dividends declared.

### 23. Pension commitments

The company operates a defined contribution pension scheme. The assets of these schemes are held separately from those of the company in independently administered funds. The pension charge amounted to £148,507 (2022 - £138,204). Total pension contributions of £38,728 (2022 - £30,729) were due to the pension provider at 31 March 2023.

### 24. Commitments under operating leases

At 31 March 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	109,583	160,808
Later than 1 year and not later than 5 years	55,997	29,873
	<u>165,580</u>	<u>190,681</u>

In addition to the above, base rent of £1,000 per annum, increasing by £500 every 5 years, is payable under a 999-year lease dated June 2009.

### 25. Related party transactions

As a wholly owned subsidiary of Boatfolk Marina Group Limited, the company is exempt from the requirements of FRS102 Section 33 Related party Disclosures to disclose transactions with other members of the group which are party to the transaction.

# **Boatfolk Marinas Limited**

## **Notes to the Financial Statements (continued) For the Year Ended 31 March 2023**

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### **26. Controlling party**

The immediate parent undertaking of the company is Boatfolk Limited, a company incorporated in England & Wales. The ultimate parent undertaking is Boatfolk Marina Group Limited, a company incorporated in England & Wales. This company is the largest and smallest group in which the results of the company are consolidated. These accounts are publicly available at the registered office of the company as noted in the contents page to these accounts.

The ultimate parent undertaking and controlling party is Mansford Opportunities V L.P., a partnership limited by shares, incorporated in England & Wales.