

Registration number: 03132811

# DGCC Limited and Subsidiaries

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2018

Chhaya Hare Wilson Limited  
Chartered Certified Accountants and Statutory Auditors  
Transport House  
Uxbridge Road  
Hillingdon  
Middlesex  
UB10 0LY

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## **DGCC Limited and Subsidiaries**

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## **DGCC Limited and Subsidiaries**

### **Company Information**

**Directors** Mr G Dyke  
Mr R A Webb  
Mr A J Walters  
Mr J Waugh

**Company secretary** Mr R A Webb

**Registered office** Windsor House  
Victoria Street  
Windsor  
SL4 1EN

**Solicitors** Charsley Harrison  
Windsor House  
Victoria Street  
Windsor  
Berkshire  
SL4 1EN

**Auditors** Chhaya Hare Wilson Limited  
Chartered Certified Accountants and Statutory Auditors  
Transport House  
Uxbridge Road  
Hillingdon  
Middlesex  
UB10 0LY

## **DGCC Limited and Subsidiaries**

### **Strategic Report for the Year Ended 31 March 2018**

The directors present their strategic report for the year ended 31 March 2018.

#### **Fair review of the business**

The company is continuing to follow the a strategy of developing and improving the business of providing golf and leisure facilities to The Dartmouth Hotel, Golf and Spa. Sufficient funds will be made available to the businesses to ensure that this strategy will be achieved. Trading for the first quarter of the subsequent accounting period has been encouraging.

Saxon Hotel Limited, the wholly owned subsidiary

This subsidiary company now has three operating centres and venues, each of which contributes to enhanced profitability, demonstrating the commitment of the board to continued development and expansion, supported by funding provided by the company bankers and the holding company.

The underlying, core, business continues to generate ongoing profits, with the future prospects significantly enhanced as a result of the further investment undertaken and from enhanced marketing and promotional activities.

The directors feel that the company is now well placed to exploit market opportunities as they arise or are created, and thereby improve revenue and, hence, profitability, going forward. Trading for the first quarter of the subsequent accounting period has been encouraging.

The key performance indicators for the year were as follows -

DGCC Limited -

Turnover increased by £123K

Gross profit margin 84.96% (2017 - 84.04%)

Net profit for the year - £774K (2017- £275K)

Saxon Hotels Limited -

Turnover down by £158K

Gross Profit margins 50.8% (2017 - 50.6%)

Net profit for the year £78K (2017 - £204K)

#### **Principal risks and uncertainties**

## DGCC Limited and Subsidiaries

### Strategic Report for the Year Ended 31 March 2018

DGCC Limited, the company's principal risk mainly arise from the fall in membership. The competitors in the market are investing more to enhance their golf clubs by offering more leisure facilities.

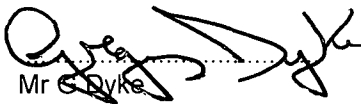
DGCC Limited , the company considers working capital management, particularly cash flow to be the key in management of the company. By monitoring cash flow as part of its day to day control procedures, it is confident that no liquidity risk should arise based on regular operations.

Saxon Hotels Limited - (Wholly owned subsidiary)

The principal risk relates to market demand, although there are no indicators to suggest that future demand will diminish as is, in fact, expected to expand.

This company continues to be reliant on funding from its bankers and from related parties. This funding is under constant review, with the company meeting its debt servicing obligations and exceeding targets, thus supporting the view that the funding will remain in place for the foreseeable future.

Approved by the Board on 24 September 2018 and signed on its behalf by:



Mr C Dyke  
Director

## **DGCC Limited and Subsidiaries**

### **Directors' Report for the Year Ended 31 March 2018**

The directors present their report and the for the year ended 31 March 2018.

#### **Directors of the group**

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

Mr G Dyke

Mr R A Webb - Company secretary and director

Mr A J Walters

Mr J Waugh

#### **Dividends**

The directors recommend a final dividend payment of £517,616 be made in respect of the financial year ended 31 March 2018. This dividend has not been recognised as a liability in the financial statements.

#### **Financial instruments**

#### ***Objectives and policies***

The group's operation is exposed to a variety of financial risks that includes the effects of changes in credit risks, liquidity risks, market rates and interest rates risks.

The group has in place a risk management programme that seeks to limit the possible adverse effects on financial performance by monitoring levels of cash . The monitoring of financial risk management is the responsibility of the Board of Directors.

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

##### **PRICE RISK**

Expenditure incurred by the group is authorised by management in order to ensure that goods and services are not obtained at a higher price than necessary.

##### **CREDIT RISK**

Credit risk is minimised by operating as far as possible on a cash basis. The group has in place a system of monthly budgeting and management accounts , and these internal controls will pinpoint any problem areas very quickly and enable remedial action to be taken.

##### **LIQUIDITY RISK**

The group maintains balances on its bank accounts within limits agreed with its bankers to ensure that there are sufficient funds for operations.

##### **INTEREST RATE**

The group is exposed to interest rate risk on the available overdraft facilities.

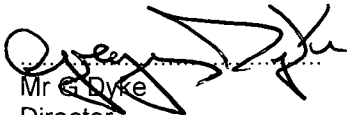
#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**DGCC Limited and Subsidiaries**

**Directors' Report for the Year Ended 31 March 2018**

Approved by the Board on 24 September 2018 and signed on its behalf by:

  
Mr S Dyke  
Director

## **DGCC Limited and Subsidiaries**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.



## **DGCC Limited and Subsidiaries**

### **Independent Auditor's Report to the Members of DGCC Limited and Subsidiaries**

#### **Opinion**

We have audited the financial statements of DGCC Limited and Subsidiaries (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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.

## **DGCC Limited and Subsidiaries**

### **Independent Auditor's Report to the Members of DGCC Limited and Subsidiaries**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

## **DGCC Limited and Subsidiaries**

### **Independent Auditor's Report to the Members of DGCC Limited and Subsidiaries**

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.

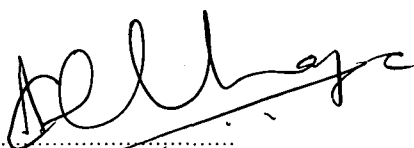
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**DGCC Limited and Subsidiaries**

**Independent Auditor's Report to the Members of DGCC Limited and  
Subsidiaries**



Chhotalal Meghji Chhaya (Senior Statutory Auditor)  
For and on behalf of Chhaya Hare Wilson Limited, Statutory Auditor  
Chhaya Hare Wilson Limited  
Transport House  
Uxbridge Road  
Hillingdon  
Middlesex  
UB10 0LY

24 September 2018

## DGCC Limited and Subsidiaries

### Consolidated Profit and Loss Account for the Year Ended 31 March 2018

	Note	2018 £	2017 £
Turnover	3	6,080,259	6,115,383
Cost of sales		<u>(2,190,846)</u>	<u>(2,264,587)</u>
Gross profit		3,889,413	3,850,796
Administrative expenses		<u>(3,496,156)</u>	<u>(3,603,410)</u>
Operating profit	6	<u>393,257</u>	<u>247,386</u>
Income from shares in group undertakings		554,017	-
Income from other fixed asset investments		105,197	160,665
Other interest receivable and similar income	7	3,432	1,112
Amounts written off investments		(274,109)	-
Interest payable and similar expenses	8	<u>(75,303)</u>	<u>(75,797)</u>
		<u>313,234</u>	<u>85,980</u>
Profit before tax		706,491	333,366
Taxation	12	<u>(1,310)</u>	<u>(25,240)</u>
Profit for the financial year		<u>705,181</u>	<u>308,126</u>
<b>Profit/(loss) attributable to:</b>			
Owners of the company		<u>705,181</u>	<u>308,126</u>

The notes on pages 18 to 36 form an integral part of these financial statements.

**DGCC Limited and Subsidiaries**

**Consolidated Statement of Comprehensive Income for the Year Ended 31  
March 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit for the year	705,181	308,126
Surplus/(deficit) on revaluation of other assets	<u>(261,249)</u>	<u>372,981</u>
Total comprehensive income for the year	<u>443,932</u>	<u>681,107</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the company	<u>443,932</u>	<u>681,107</u>

The notes on pages 18 to 36 form an integral part of these financial statements.


# DGCC Limited and Subsidiaries

(Registration number: 03132811)

## Consolidated Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	13	1,035,493	1,461,788
Tangible assets	14	9,879,984	10,050,897
Other financial assets	17	516,720	3,067,156
		<u>11,432,197</u>	<u>14,579,841</u>
<b>Current assets</b>			
Stocks	18	113,590	112,026
Debtors	19	383,823	627,116
Cash at bank and in hand		172,836	136,223
		<u>670,249</u>	<u>875,365</u>
<b>Creditors: Amounts falling due within one year</b>	21	<u>(1,478,417)</u>	<u>(4,531,181)</u>
<b>Net current liabilities</b>		<u>(808,168)</u>	<u>(3,655,816)</u>
<b>Total assets less current liabilities</b>		10,624,029	10,924,025
<b>Creditors: Amounts falling due after more than one year</b>	21	(2,759,712)	(2,916,324)
<b>Provisions for liabilities</b>		<u>(23,152)</u>	<u>(49,902)</u>
<b>Net assets</b>		<u>7,841,165</u>	<u>7,957,799</u>
<b>Capital and reserves</b>			
Called up share capital	23	1,478,905	1,478,905
Share premium reserve		3,248,127	3,248,127
Capital redemption reserve		25,000	25,000
Revaluation reserve		(151,292)	109,957
Profit and loss account		<u>3,240,425</u>	<u>3,095,810</u>
Equity attributable to owners of the company		<u>7,841,165</u>	<u>7,957,799</u>
<b>Total equity</b>		<u>7,841,165</u>	<u>7,957,799</u>

Approved and authorised by the Board on 24 September 2018 and signed on its behalf by:

  
Mr G Dyke  
Director

The notes on pages 18 to 36 form an integral part of these financial statements.

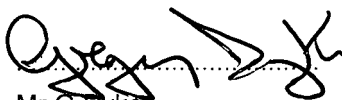
# DGCC Limited and Subsidiaries

(Registration number: 03132811)  
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	14	4,974,654	5,131,205
Investments	15	344,545	618,654
Other financial assets	17	516,720	3,067,156
		<u>5,835,919</u>	<u>8,817,015</u>
<b>Current assets</b>			
Stocks	18	81,870	78,367
Debtors	19	2,790,811	1,766,675
Cash at bank and in hand		113,778	76,018
		<u>2,986,459</u>	<u>1,921,060</u>
<b>Creditors: Amounts falling due within one year</b>	21	<u>(528,919)</u>	<u>(2,900,070)</u>
<b>Net current assets/(liabilities)</b>		<u>2,457,540</u>	<u>(979,010)</u>
<b>Total assets less current liabilities</b>		8,293,459	7,838,005
<b>Creditors: Amounts falling due after more than one year</b>	21	(403,698)	(427,274)
<b>Provisions for liabilities</b>		<u>(23,152)</u>	<u>(49,902)</u>
<b>Net assets</b>		<u>7,866,609</u>	<u>7,360,829</u>
<b>Capital and reserves</b>			
Called up share capital	23	1,478,905	1,478,905
Share premium reserve		3,248,127	3,248,127
Capital redemption reserve		25,000	25,000
Revaluation reserve		(151,292)	109,957
Profit and loss account		<u>3,265,869</u>	<u>2,498,840</u>
<b>Total equity</b>		<u>7,866,609</u>	<u>7,360,829</u>

The company made a profit after tax for the financial year of £773,579 (2017 - profit of £250,347).

Approved and authorised by the Board on 24 September 2018 and signed on its behalf by:

  
Mr G Dyke  
Director

The notes on pages 18 to 36 form an integral part of these financial statements.



# DGCC Limited and Subsidiaries

## Consolidated Statement of Changes in Equity for the Year Ended 31 March 2018

### Equity attributable to the parent company

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £
At 1 April 2017	1,478,905	3,248,127	25,000	109,957
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	(261,249)
Total comprehensive income	-	-	-	(261,249)
Dividends	-	-	-	-
At 31 March 2018	<u>1,478,905</u>	<u>3,248,127</u>	<u>25,000</u>	<u>(151,292)</u>
		<b>Profit and loss account £</b>	<b>Total £</b>	<b>Total equity £</b>
At 1 April 2017		3,095,810	7,957,799	7,957,799
Profit for the year		705,181	705,181	705,181
Other comprehensive income		-	(261,249)	(261,249)
Total comprehensive income		705,181	443,932	443,932
Dividends		(560,566)	(560,566)	(560,566)
At 31 March 2018		<u>3,240,425</u>	<u>7,841,165</u>	<u>7,841,165</u>
		<b>Share premium £</b>	<b>Capital redemption reserve £</b>	<b>Revaluation reserve £</b>
At 1 April 2016	1,463,905	3,204,027	25,000	(263,024)
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	372,981
Total comprehensive income	-	-	-	372,981
New share capital subscribed	15,000	44,100	-	-
At 31 March 2017	<u>1,478,905</u>	<u>3,248,127</u>	<u>25,000</u>	<u>109,957</u>
		<b>Profit and loss account £</b>	<b>Total £</b>	<b>Total equity £</b>
At 1 April 2016		2,787,684	7,217,592	7,217,592
Profit for the year		308,126	308,126	308,126
Other comprehensive income		-	372,981	372,981
Total comprehensive income		308,126	681,107	681,107
New share capital subscribed		-	59,100	59,100
At 31 March 2017		<u>3,095,810</u>	<u>7,957,799</u>	<u>7,957,799</u>

The notes on pages 18 to 36 form an integral part of these financial statements.

# DGCC Limited and Subsidiaries

## Statement of Changes in Equity for the Year Ended 31 March 2018

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £
At 1 April 2017	1,478,905	3,248,127	25,000	109,957
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	(261,249)
Total comprehensive income	-	-	-	(261,249)
Dividends	-	-	-	-
At 31 March 2018	<u>1,478,905</u>	<u>3,248,127</u>	<u>25,000</u>	<u>(151,292)</u>
			<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2017			2,498,840	7,360,829
Profit for the year			773,579	773,579
Other comprehensive income			-	(261,249)
Total comprehensive income			773,579	512,330
Dividends			(6,550)	(6,550)
At 31 March 2018			<u>3,265,869</u>	<u>7,866,609</u>
	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £
At 1 April 2016	1,463,905	3,204,027	25,000	(263,024)
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	372,981
Total comprehensive income	-	-	-	372,981
New share capital subscribed	15,000	44,100	-	-
At 31 March 2017	<u>1,478,905</u>	<u>3,248,127</u>	<u>25,000</u>	<u>109,957</u>
			<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2016			2,248,493	6,678,401
Profit for the year			250,347	250,347
Other comprehensive income			-	372,981
Total comprehensive income			250,347	623,328
New share capital subscribed			-	59,100
At 31 March 2017			<u>2,498,840</u>	<u>7,360,829</u>

The notes on pages 18 to 36 form an integral part of these financial statements.

## DGCC Limited and Subsidiaries

### Consolidated Statement of Cash Flows for the Year Ended 31 March 2018

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Profit for the year		705,181	308,126
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	388,521	378,770
Profit from disposals of investments	5	(206,183)	(23,774)
Finance income	7	(662,646)	(161,777)
Finance costs	8	349,412	75,797
Income tax expense	12	1,310	25,240
		<u>575,595</u>	<u>602,382</u>
Working capital adjustments			
Increase in stocks	18	(1,564)	(1,109)
Decrease in trade debtors	19	243,293	1,483,902
Decrease in trade creditors	21	(3,052,640)	(185,243)
Increase in creditors - debenture loan		<u>-</u>	<u>(1,800,131)</u>
Cash generated from operations		(2,235,316)	99,801
Income taxes paid	12	<u>(2,703)</u>	<u>(3,097)</u>
Net cash flow from operating activities		<u>(2,238,019)</u>	<u>96,704</u>
<b>Cash flows from investing activities</b>			
Interest received		662,646	161,777
Acquisitions of tangible assets		(65,424)	(236,836)
Proceeds from the sale of quoted shares		<u>2,467,881</u>	<u>223,850</u>
Net cash flows from investing activities		<u>3,065,103</u>	<u>148,791</u>
<b>Cash flows from financing activities</b>			
Interest paid	8	(75,303)	(75,797)
Proceeds from exercise of share options		-	59,100
Repayment of bank borrowing		(154,602)	(146,648)
Dividends paid		(560,566)	-
FA investment - listed other shares additions		<u>-</u>	<u>(54,179)</u>
Net cash flows from financing activities		<u>(790,471)</u>	<u>(217,524)</u>
Net increase in cash and cash equivalents		36,613	27,971
Cash and cash equivalents at 1 April		<u>136,223</u>	<u>108,252</u>
Cash and cash equivalents at 31 March		<u><u>172,836</u></u>	<u><u>136,223</u></u>

The notes on pages 18 to 36 form an integral part of these financial statements.

## **DGCC Limited and Subsidiaries**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Windsor House  
Victoria Street  
Windsor  
SL4 1EN

These financial statements were authorised for issue by the Board on 24 September 2018.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of DGCC Limited and all of its subsidiary undertakings drawn up to 31 March each year.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its Profit and Loss Account in these financial statements. The parent company's total comprehensive income for the year was £443,932 (2017 - £681,107).

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

##### **Going concern**

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

## **DGCC Limited and Subsidiaries**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **Judgements**

##### **Key sources of estimation uncertainty**

The preparation of the financial statements of the group requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances..

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

##### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit and loss. A decrease in carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation is not provided on freehold land and buildings as the value in use of the properties concerned coupled with high residual value, mean that any depreciation charge would not be material.

#### Impairment of fixed assets-

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in the prior year. A reversal of an impairment loss is recognised in profit or loss.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

##### Asset class

Plant and machinery

Fixtures and fittings

Motor vehicles

Computer Equipment

##### Depreciation method and rate

Plant and other equipment -20% on cost, 15% on cost, Spa F&F and Equipment - 10% on cost and Renewable energy equipment - 5% on cost

over 7 years

20% on cost

33.33% on cost

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

#### Asset class

#### Amortisation method and rate

Written off over 4 years

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Investment in subsidiaries-

Investments in subsidiaries are accounted for at cost less impairment if applicable.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **DGCC Limited and Subsidiaries**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **Debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

#### **Inventories**

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

#### **Creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.



## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2018 £	2017 £
Sale of goods	<u>6,080,259</u>	<u>6,115,383</u>

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2018 £	2017 £
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#### 5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2018 £	2017 £
Gain (loss) from disposals of investments	<u>206,183</u>	<u>23,774</u>

#### 6 Operating profit

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	236,336	226,585
Amortisation expense	152,185	152,185
Operating lease expense - other	<u>10,167</u>	<u>2,476</u>

#### 7 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	188	29
Other finance income	<u>3,244</u>	<u>1,083</u>
	<u>3,432</u>	<u>1,112</u>

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 8 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and borrowings	67,852	75,788
Interest expense on other finance liabilities	7,451	9
	<u>75,303</u>	<u>75,797</u>

#### 9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	2,562,891	2,528,856
Social security costs	152,977	149,449
Pension costs, defined contribution scheme	9,968	10,716
Other employee expense	29,659	24,684
	<u>2,755,495</u>	<u>2,713,705</u>

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

	2018 No.	2017 No.
Administration and support	<u>191</u>	<u>189</u>

#### 10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	127,280	145,209
Contributions paid to money purchase schemes	359	-
	<u>127,639</u>	<u>145,209</u>

#### 11 Auditors' remuneration

	2018 £	2017 £
Audit of these financial statements	<u>12,190</u>	<u>11,010</u>

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 12 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
<b>Current taxation</b>		
UK corporation tax	571	2,784
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	739	22,456
<b>Tax expense in the income statement</b>	<u>1,310</u>	<u>25,240</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - the same as the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Profit before tax	<u>706,491</u>	<u>333,366</u>
Corporation tax at standard rate	134,233	66,673
Effect of revenues exempt from taxation	(20,667)	(36,888)
Effect of expense not deductible in determining taxable profit (tax loss)	-	29,437
Effect of tax losses	(27,931)	(40,773)
UK deferred tax expense relating to changes in tax rates or laws	739	22,456
Tax increase/(decrease) from effect of capital allowances and depreciation	40,187	(23,854)
Tax decrease from effect of dividends from UK companies	(125,251)	-
Tax increase from effect of indexation allowance on capital gains	-	1,861
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>6,328</u>
<b>Total tax charge</b>	<u>1,310</u>	<u>25,240</u>

#### Deferred tax

##### Group

There are £1,352,428 of unused tax losses (2017 - £1,434,889) for which no deferred tax asset is recognised in the Balance Sheet.

##### Company

**Tax relating to items recognised in other comprehensive income or equity - group**

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

	2018 £	2017 £
Deferred tax related to items recognised as items of other comprehensive income	-	27,487
<b>Tax relating to items recognised in other comprehensive income or equity - company</b>		
	2018 £	2017 £
Deferred tax related to items recognised as items of other comprehensive income	-	27,487

### 13 Intangible assets

#### Group

	Goodwill £	Trademarks, patents and licenses £	Total £
<b>Cost or valuation</b>			
At 1 April 2017	1,746,157	20,000	1,766,157
Disposals	(274,109)	-	(274,109)
At 31 March 2018	1,472,048	20,000	1,492,048
<b>Amortisation</b>			
At 1 April 2017	294,370	10,000	304,370
Amortisation charge	147,185	5,000	152,185
At 31 March 2018	441,555	15,000	456,555
<b>Carrying amount</b>			
At 31 March 2018	1,030,493	5,000	1,035,493
At 31 March 2017	1,451,788	10,000	1,461,788

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

### 14 Tangible assets

#### Group

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	8,743,465	2,974,958	6,000	11,724,423
Additions	-	65,424	-	65,424
Disposals	-	(98,668)	-	(98,668)
At 31 March 2018	<u>8,743,465</u>	<u>2,941,714</u>	<u>6,000</u>	<u>11,691,179</u>
<b>Depreciation</b>				
At 1 April 2017	-	1,668,127	5,400	1,673,527
Charge for the year	-	235,736	600	236,336
Eliminated on disposal	-	(98,668)	-	(98,668)
At 31 March 2018	<u>-</u>	<u>1,805,195</u>	<u>6,000</u>	<u>1,811,195</u>
<b>Carrying amount</b>				
At 31 March 2018	<u>8,743,465</u>	<u>1,136,519</u>	<u>-</u>	<u>9,879,984</u>
At 31 March 2017	<u>8,743,465</u>	<u>1,306,832</u>	<u>600</u>	<u>10,050,897</u>

Included within the net book value of land and buildings above is £7,579,280 (2017 - £7,579,280) in respect of freehold land and buildings and £1,164,185 (2017 - £1,164,185) in respect of long leasehold land and buildings.

#### Revaluation

The fair value of the company's Freehold property was revalued on 31 March 2018. An independent valuer was not involved.

At 31 March 2018, included in the net book value of freehold property is land at cost of £5,052,853 (2017 - £5,052,853).

During the years, the group's freehold and leasehold properties have been the subject of major refurbishment and redevelopment works. Depreciation has not been provided as the value in use of the properties concerned and the anticipated long expected useful life, coupled with high expected residual value, mean that any depreciation charge would not be material.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £8,743,465 (2017 - £8,743,465).

#### Company

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	4,125,746	2,553,312	6,000	6,685,058
Additions	-	13,845	-	13,845
Disposals	-	(98,668)	-	(98,668)
At 31 March 2018	<u>4,125,746</u>	<u>2,468,489</u>	<u>6,000</u>	<u>6,600,235</u>
<b>Depreciation</b>				
At 1 April 2017	-	1,548,453	5,400	1,553,853
Charge for the year	-	169,796	600	170,396
Eliminated on disposal	-	(98,668)	-	(98,668)
At 31 March 2018	<u>-</u>	<u>1,619,581</u>	<u>6,000</u>	<u>1,625,581</u>
<b>Carrying amount</b>				
At 31 March 2018	<u>4,125,746</u>	<u>848,908</u>	<u>-</u>	<u>4,974,654</u>
At 31 March 2017	<u>4,125,746</u>	<u>1,004,859</u>	<u>600</u>	<u>5,131,205</u>

Included within the net book value of land and buildings above is £4,125,746 (2017 - £4,125,746) in respect of freehold land and buildings.

#### Revaluation

The fair value of the company's Freehold property was revalued on 31 March 2018. An independent valuer was not involved.

At 31 March 2018, included in the net book value of freehold property is land at cost of £2,750,477 (2017 - £2,750,477).

During the years, the company's freehold has been the subject of refurbishment and redevelopment works. Depreciation has not been provided as the value in use of the properties concerned, coupled with high expected residual value, mean that any depreciation charge would not be material.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £4,125,746 (2017 - £4,125,746).

## 15 Investments

### Company

	2018 £	2017 £
Investments in subsidiaries	<u>344,545</u>	<u>618,654</u>

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

<b>Subsidiaries</b>	<b>£</b>
<b>Cost or valuation</b>	
At 1 April 2017	618,654
Disposals	<u>(274,109)</u>
At 31 March 2018	<u>344,545</u>
<b>Provision</b>	
<b>Carrying amount</b>	
At 31 March 2018	<u>344,545</u>
At 31 March 2017	<u>618,654</u>

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
Lambourne Golf Club Holdings Limited	England	Ordinary	0%	100%
Saxon Hotels Limited	Mosborough Hall High Street Mosborough Sheffield S20 5EA England	Ordinary	100%	100%

The principal activity of Lambourne Golf Club Holdings Limited is Holding Company (Dormant)

The principal activity of Saxon Hotels Limited is Hotel and leisure facilities

The profit for the financial period of Saxon Hotels Limited was £78,387 and the aggregate amount of capital and reserves at the end of the period was £(711,392).

#### 16 Disposal of subsidiary

On 16 June 2017, the group disposed of its interest in Lambourne Golf Club Holdings Limited. The gain/(loss) on disposal of Lambourne Golf Club Holdings Limited was £(274,109). Lambourne Golf Club Holdings Limited contributed £ 554,017 to the group profit/(loss).

# DGCC Limited and Subsidiaries

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 17 Other financial assets

#### Group

	Financial assets at fair value through profit and loss £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2017	2,804,132	2,804,132
Fair value adjustments	(25,713)	(25,713)
Disposals	<u>(2,261,699)</u>	<u>(2,261,699)</u>
At 31 March 2018	<u>516,720</u>	<u>516,720</u>
<b>Impairment</b>		
<b>Carrying amount</b>		
At 31 March 2018	<u>516,720</u>	<u>516,720</u>
<b>Company</b>		



# DGCC Limited and Subsidiaries

## Notes to the Financial Statements for the Year Ended 31 March 2018

	Financial assets at fair value through profit and loss £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2017	2,804,132	2,804,132
Fair value adjustments	(25,713)	(25,713)
Disposals	<u>(2,261,699)</u>	<u>(2,261,699)</u>
At 31 March 2018	<u>516,720</u>	<u>516,720</u>
<b>Impairment</b>		
<b>Carrying amount</b>		
At 31 March 2018	<u>516,720</u>	<u>516,720</u>

### 18 Stocks

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Other inventories	<u>113,590</u>	<u>112,026</u>	<u>81,870</u>	<u>78,367</u>

### 19 Debtors

		Group		Company	
	Note	2018 £	2017 £	2018 £	2017 £
Trade debtors		86,023	94,209	28,379	34,037
Amounts owed by related parties	27	200,000	450,000	2,738,473	1,720,000
Other debtors		4,688	1,137	637	-
Prepayments		<u>93,112</u>	<u>81,770</u>	<u>23,322</u>	<u>12,638</u>
		<u>383,823</u>	<u>627,116</u>	<u>2,790,811</u>	<u>1,766,675</u>

### 20 Cash and cash equivalents

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Cash on hand	13,057	6,722	8,767	2,432
Cash at bank	<u>159,779</u>	<u>129,501</u>	<u>105,011</u>	<u>73,586</u>
	<u>172,836</u>	<u>136,223</u>	<u>113,778</u>	<u>76,018</u>

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 21 Creditors

		Group		Company	
	Note	2018 £	2017 £	2018 £	2017 £
<b>Due within one year</b>					
Loans and borrowings	24	154,200	152,192	19,200	19,200
Trade creditors		282,601	244,436	128,961	118,099
Amounts due to related parties	27	-	1,218,474	-	554,017
Social security and other taxes		193,365	170,581	59,392	43,611
Other payables		493,090	2,341,343	30,011	1,853,121
Accruals		354,509	401,371	290,703	309,238
Income tax liability	12	652	2,784	652	2,784
		<u>1,478,417</u>	<u>4,531,181</u>	<u>528,919</u>	<u>2,900,070</u>

#### Due after one year

Loans and borrowings	24	<u>2,759,712</u>	<u>2,916,324</u>	<u>403,698</u>	<u>427,274</u>
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On 25 November 2014, it was agreed to assign the outstanding debentures held in Lambourne Club Limited, which have a face value in 2030 of £5,000 for each debenture to DGCC Limited and would pay £1,788,710 in recognition for this burden.

On 7 April 2017, the company assigned its future liability to currently unredeemed debentures emanating originally from Lambourne Club Limited to some of its directors and Associates. The total current discounted value of the debenture liability of £1,830,270 (2017 - £1,830,270) was settled by the Company transferring assets to those who took on the future liability.

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £9,968 (2017 - £10,716).

#### 23 Share capital

##### Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	<u>1,478,905</u>	<u>1,478,905</u>	<u>1,478,905</u>	<u>1,478,905</u>

##### Shares reserved for issue

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### Ordinary

On the 15 August 2003, the company granted rights to purchase ordinary shares on the following terms:

- a) Number of shares : 1,007,749
- b) Description : Ordinary shares of £1 each
- c) Amount and price payable : £3.33 per share as at March 2000 increased by the retail price index
- d) Period exercisable : No expiry date
- e) Rights not yet exercised 521,849

#### 24 Loans and borrowings

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
<b>Non-current loans and borrowings</b>				
Bank borrowings	<u>2,759,712</u>	<u>2,916,324</u>	<u>403,698</u>	<u>427,274</u>

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
<b>Current loans and borrowings</b>				
Bank borrowings	<u>154,200</u>	<u>152,192</u>	<u>19,200</u>	<u>19,200</u>

#### Group

##### Bank borrowings

Bank loan is denominated in £ with a nominal interest rate of 2% above bank base rate percentage, and the final installment is due on 1 January 2034. The carrying amount at the year end is £2,913,912 (2017 - £3,068,516).

#### Company

##### Bank borrowings

Bank loan is denominated in with a nominal interest rate of 2% above base %. The carrying amount at year end is £422,898 (2017 - £446,474).

The bank loan is secured on the assets of the company

#### 25 Obligations under leases and hire purchase contracts

#### Group

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	94,080	108,740
Later than one year and not later than five years	329,284	413,105
Later than five years	<u>852,285</u>	<u>1,101,888</u>
	<u>1,275,649</u>	<u>1,623,733</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2017 - £Nil).

#### Company

##### Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	37,241	39,872
Later than one year and not later than five years	<u>101,928</u>	<u>137,633</u>
	<u>139,169</u>	<u>177,505</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2017 - £Nil).

#### 26 Dividends

	2018 £	2017 £
Final dividend of £50.00 (2017 - £Nil) per ordinary share	<u>6,550</u>	=

A final dividend was paid on 14 April 2017. Several of the shareholders had waived their rights to this dividend.

The directors are proposing a final dividend of £0.35 (2017 - £Nil) per share totalling £517,616.00 (2017 - £Nil). This dividend has not been accrued in the Balance Sheet.

#### 27 Related party transactions

##### Group

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

The group and the company have taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with their subsidiaries which are 100% owned within the group. The transactions other than the aforesaid are disclosed as follows:

#### Group and Company

At 31 March 2018, the balance due from Vine Leisure Limited was £200,000 (2017 - £450,000). Interest of £796 (2017 - £1,082) was received in the year on the above loan. Vine Leisure Limited is a company in which Mr G Dyke and Mr R A Webb are directors.

Vine Leisure Limited, a company controlled by Mr G Dyke has provided support funding to Saxon Hotels Limited by way of loan finance. At 31 March 2018 the amount owing to Vine Leisure Limited in this respect, amounted to £nil (2017 - £1,218,473)

Vine Leisure Limited has provide security for the bank borrowings of Saxon Hotels Limited .

#### Transactions with directors

	Advances to directors £	At 31 March 2018 £
<b>2018</b>		
<b>Mr G Dyke</b>		
Professional services	<u>6,000</u>	<u>6,000</u>
<b>Mr R A Webb</b>		
Professional and accountancy services	<u>6,000</u>	<u>6,000</u>
<b>Mr A J Walters</b>		
Professional services	<u>6,000</u>	<u>6,000</u>
	<b>Advances</b>	<b>At 31 March</b>
	<b>to directors</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>2017</b>		
<b>Mr G Dyke</b>		
Professional services	<u>6,000</u>	<u>6,000</u>
<b>Mr R A Webb</b>		
Professional and accountancy services	<u>6,000</u>	<u>6,000</u>
<b>Mr A J Walters</b>		
Professional services	<u>6,000</u>	<u>6,000</u>
<b>Dividends paid to directors</b>		

## DGCC Limited and Subsidiaries

### Notes to the Financial Statements for the Year Ended 31 March 2018

	2018 £	2017 £
Mr J Waugh		
Final	<u>2,000</u>	<u>-</u>

#### ASSIGNMENT OF DEBENTURES

During the year to 31 March 2018, the Company assign the liability to repay the original Lambourne Club debentures to Mr G Dyke and to associates of Mr R A Webb on the same basis as the original assignment had been accepted by the Company. In exchange for releasing the Company from its liability to redeem the debentures which have a present day value of in the region of £1,830,270, it was agreed that the Company would transfer its holdings in its Loudwater Fund Shares with any balancing payment being made up in Cash.

Mr G Dyke and Mr R A Webb are directors of the Group.

#### 28 Parent and ultimate parent undertaking

DGCC Limited is the group's parent company by virtue of its 100% shareholding in Saxon Hotels Limited.

The Group and the company was under the control of the majority shareholder and director, Mr G Dyke throughout the current and previous year.