

COMPANY REGISTRATION NUMBER: 04062038

**Saxon Hotels Limited**  
**Financial Statements**  
**31 March 2023**

# **Saxon Hotels Limited**

## **Financial Statements**

**Year ended 31 March 2023**

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# Saxon Hotels Limited

## Officers and Professional Advisers

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The board of directors	Mr G Dyke
	Mr N Burgin
	Mr G J Davies
Registered office	Mosborough Hall
	High Street
	Mosborough
	Sheffield
	S20 5EA
Auditor	Hebblethwaites
	Chartered Accountants & Statutory Auditors
	2 Westbrook Court
	Sharrow Vale Road
	Sheffield
	S11 8YZ

# **Saxon Hotels Limited**

## **Strategic Report**

### **Year ended 31 March 2023**

Following on from the challenges of the prior two years as a result of the impact of the global pandemic, this latest year reflects a significant recovery taking activity levels virtually back to those enjoyed prior to COVID-19. As a result of the extended periods of lockdown during the prior two years in particular with the well documented effect on the hospitality industry, the company suffered financially but is now recovering very positively. Each of the three company venues suffered from the consequential effects of the pandemic, but with a return to full activities as the restrictions were relaxed. The key performance indicators for the year were as follows: - Turnover increased by £91k for the period up to £3,102k (2022: £3,011k), this being a year on year increase of 3.0%. - The gross profit figure decreased by £206k in the period to £1,202k (2022: £1,408k), a decrease of 14.6%. - Operating profit decreased by £165.4k to £72.3k (2022: £237.8k), a decrease of 70.0%. - This resulted in a pre tax loss for the year of £14,081, this being a year on year decrease of £203k. The company has been able to survive throughout the lockdown periods by means of the various financial support measures put in place by the UK Government, along with continued and extended support from the holding company, this sitting alongside the company bankers who granted concessions during the period of the pandemic to assist with cash flow issues. Despite the inevitable and global negative impact of the pandemic, the directors are now of the view that there is a significant potential for very positive trading in a relatively strong post pandemic market. The company has a very strong market presence in the specialist functions market, particularly in relation to weddings. There remains a significant element of pent-up demand for wedding functions, to include those postponed during the pandemic but also creating an element of pressure on couples planning to marry in knowledge of the consequential scarcity of venue availability. Bookings and demand continue to be at relatively positive levels. In addition, the so called staycation market continues its strong demand, as there remains an inevitable reticence, on the part of a proportion of the UK population, to consider foreign travel, and the underlying desire for some form of vacation continues to create significant demand. The directors are clearly monitoring the cash flow position and the availability of working capital to fund this re-emergence and are confident of having access to the resources sufficient to take maximum advantage of the opportunities which will arise.

There remain, inevitably, inherent risks as a result of the nature of the trade and the intensive utilisation of the company's premises in an environment where infections can easily be transmitted. The company takes extensive precautions to minimise such risks, as far as is practical. However, Covid-19 is beyond the control of the directors, and the pandemic is a significant risk to the company, and is expanded on in note 3 to the financial statements. The company continues to be reliant on funding from its bankers and from the holding company. This funding is under constant review, with the company meeting its debt servicing obligations and thus supporting the view that the funding will remain in place for the foreseeable future.

This report was approved by the board of directors on 21 December 2023 and signed on behalf of the board by:

Mr N Burgin

Mr G J Davies

Director

Director

# **Saxon Hotels Limited**

## **Directors' Report**

### **Year ended 31 March 2023**

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The directors present their report and the financial statements of the company for the year ended 31 March 2023 .

#### **Directors**

The directors who served the company during the year were as follows:

Mr G Dyke

Mr N Burgin

Mr G J Davies

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **Disclosure of information in the strategic report**

The Strategic Report is set out on page 2 of these financial statements.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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 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 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 judgments and accounting estimates that are reasonable and prudent; - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 21 December 2023 and signed on behalf of the board by:

Mr N Burgin

Director

Mr G J Davies

Director

# **Saxon Hotels Limited**

## **Independent Auditor's Report to the Member of Saxon Hotels Limited**

**Year ended 31 March 2023**

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### **Opinion**

We have audited the financial statements of Saxon Hotels Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 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; - have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

In auditing the financial statements, we have concluded that the director's 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. We draw your attention to Note 3 in the financial statements with further detail regarding the going concern assumption.

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



## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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. 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

## **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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance, including the identification of related party transactions, and matters which could potentially impact on the company's continuation as a going concern;
- results of our enquiries of management and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, including how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code and local tax legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. 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 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 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 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. 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. Use of our report

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Throssell FCA

(Senior Statutory Auditor)

For and on behalf of

Hebblethwaites

Chartered Accountants & Statutory Auditors

2 Westbrook Court

Sharrow Vale Road

Sheffield

S11 8YZ

21 December 2023

# Saxon Hotels Limited

## Statement of Income and Retained Earnings

Year ended 31 March 2023

		2023	2022
	Note	£	£
Turnover	4	3,102,164	3,011,496
Cost of sales		( 1,899,761)	( 1,603,516)
		-----	-----
Gross profit		1,202,403	1,407,980
Administrative expenses		( 1,130,103)	( 1,273,456)
Other operating income	5	—	103,239
		-----	-----
Operating profit	7	72,300	237,763
Interest payable and similar expenses	10	( 86,381)	( 48,918)
		-----	-----
(Loss)/profit before taxation		( 14,081)	188,845
Tax on (loss)/profit		—	—
		-----	-----
(Loss)/profit for the financial year and total comprehensive income		( 14,081)	188,845
		-----	-----
Retained losses at the start of the year		( 1,461,070)	( 1,649,915)
		-----	-----
Retained losses at the end of the year		( 1,475,151)	( 1,461,070)
		-----	-----

All the activities of the company are from continuing operations.

# Saxon Hotels Limited

## Statement of Financial Position

31 March 2023

		2023	2022
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	12	4,801,207	4,777,471
<b>Current assets</b>			
Stocks	13	39,410	35,918
Debtors	14	313,649	231,984
Cash at bank and in hand		169,279	594,633
		522,338	862,535
<b>Creditors: amounts falling due within one year</b>	15	4,711,433	4,855,040
<b>Net current liabilities</b>		4,189,095	3,992,505
<b>Total assets less current liabilities</b>		612,112	784,966
<b>Creditors: amounts falling due after more than one year</b>	16	1,732,070	1,890,843
<b>Net liabilities</b>		( 1,119,958)	( 1,105,877)

# Saxon Hotels Limited

## Statement of Financial Position *(continued)*

31 March 2023

		2023	2022
	Note	£	£
<b>Capital and reserves</b>			
Called up share capital	21	340,100	340,100
Revaluation reserve	22	15,093	15,093
Profit and loss account	22	( 1,475,151)	( 1,461,070)
		-----	-----
<b>Shareholder deficit</b>		( 1,119,958)	( 1,105,877)
		-----	-----

These financial statements were approved by the board of directors and authorised for issue on 21 December 2023 , and are signed on behalf of the board by:

Mr N Burgin

Director

Mr G J Davies

Director

Company registration number: 04062038

# **Saxon Hotels Limited**

## **Notes to the Financial Statements**

### **Year ended 31 March 2023**

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#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Mosborough Hall, High Street, Mosborough, Sheffield, S20 5EA.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

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

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and properties where needed.

##### **Going concern**

The financial statements have been prepared on a going concern basis. For the period ended 31 March 2023 the company recorded an increase in turnover of £91K, from £3,011K in 2022 to £3,102K in 2023 and recorded an overall net loss before tax of £14K, as compared to a net profit of £189K in 2022. The Statement of Financial Position still reflects a total net liability position at the period end date of £1,120K. The directors are forecasting positive trading performance and profitability for the next three financial periods, with a very strong diary of bookings for accommodation, weddings and other functions, and continued demand for the company's services following the Covid-19 period. The cash reserves remain positive as at 31 March 2023, with management forecasting a further increase in cash reserves over the following financial period, whilst also taking into account capital and interest obligations in relation to the company's borrowings. The company has also, within the group arrangement, remained compliant with financial covenants in relation to bank borrowings during the financial year. The parent company DGCC Limited, which has strong liquidity, has pledged ongoing support to Saxon Hotels Limited, thereby confirming that the group loan liability will only be subject to any repayment as and when cash flow permits, this despite the fact that the entire inter-company loan is reflected in full, as is technically the case, as a current liability in the Statement of Financial Position. The directors are therefore satisfied that the going concern basis remains appropriate.

##### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of DGCC Ltd which can be obtained from Windsor House, Victoria Street, Windsor, Berkshire, SL4 1EN. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (b) No cash flow statement has been presented for the company.

### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements 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. In the opinion of management, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements, other than those highlighted below.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for the supply of accommodation, food, drink and related goods at the company's hotel sites, stated net of discounts and of Value Added Tax. Revenue from the sale of the above items is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5 years straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and 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 a 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 or loss. A decrease in the 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**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture, Fixtures & Fittings	-	7 years straight line
Computer Equipment	-	3 years straight line
Equipment	-	15 years straight line

Depreciation is not provided on freehold or leasehold buildings 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.

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**Stocks**

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

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

## Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

## 4. Turnover

Sale of goods and services

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

## 5. Other operating income

	2023	2022
	£	£
Government grant income	—	103,239
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## 6. Government grants

Income from Government grants are in respect of the Small Business Grant Fund and the Coronavirus Job Retention Scheme.

## 7. Operating profit

Operating profit or loss is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	63,662	71,022

## 8. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	7,500	7,000

## 9. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Administration and support	89	81

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	1,118,327	1,206,315
Social security costs	91,452	85,468
Other pension costs	18,204	16,721
	1,227,983	1,308,504

## 10. Interest payable and similar expenses

	2023	2022
	£	£
Interest on obligations under finance leases and hire purchase contracts	308	409
Interest due to group undertakings	—	5,882
Other interest payable and similar charges	86,073	42,627
	86,381	48,918

## 11. Intangible assets

	Goodwill
	£
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	25,000
<b>Amortisation</b>	
At 1 April 2022 and 31 March 2023	25,000
<b>Carrying amount</b>	
At 31 March 2023	—
At 31 March 2022	—

## 12. Tangible assets

	Freehold property £	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer Equipment £	Total £
<b>Cost</b>						
At 1 Apr 2022	3,453,534	1,164,185	246,621	295,435	65,204	5,224,979
Additions	—	—	69,084	17,188	1,128	87,400
Disposals	—	—	( 14,080)	( 4,605)	( 38,192)	( 56,877)
	-----	-----	-----	-----	-----	-----
<b>At 31 Mar 2023</b>	<b>3,453,534</b>	<b>1,164,185</b>	<b>301,625</b>	<b>308,018</b>	<b>28,140</b>	<b>5,255,502</b>
	-----	-----	-----	-----	-----	-----
<b>Depreciation</b>						
At 1 Apr 2022	—	—	171,864	223,003	52,641	447,508
Charge for the year	—	—	25,443	29,429	8,790	63,662
Disposals	—	—	( 14,078)	( 4,605)	( 38,192)	( 56,875)
	-----	-----	-----	-----	-----	-----
<b>At 31 Mar 2023</b>	<b>—</b>	<b>—</b>	<b>183,229</b>	<b>247,827</b>	<b>23,239</b>	<b>454,295</b>
	-----	-----	-----	-----	-----	-----
<b>Carrying amount</b>						
<b>At 31 Mar 2023</b>	<b>3,453,534</b>	<b>1,164,185</b>	<b>118,396</b>	<b>60,191</b>	<b>4,901</b>	<b>4,801,207</b>
	-----	-----	-----	-----	-----	-----
At 31 Mar 2022	3,453,534	1,164,185	74,757	72,432	12,563	4,777,471
	-----	-----	-----	-----	-----	-----

During recent years, the company's freehold and leasehold properties have been the subject of redevelopment works. As the major works have now been completed, consideration has been given to the question of depreciation on the properties. 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.

## 13. Stocks

	2023 £	2022 £
Stock	39,410	35,918
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## 14. Debtors

	2023 £	2022 £
Trade debtors	105,628	37,134
Prepayments and accrued income	42,990	66,961
Other debtors	165,031	127,889
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	<b>313,649</b>	<b>231,984</b>
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**15. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Bank loans and overdrafts	145,829	143,677
Trade creditors	98,486	251,321
Amounts owed to group undertakings	3,064,473	3,262,473
Accruals and deferred income	159,363	190,405
Social security and other taxes	19,153	17,605
Obligations under finance leases and hire purchase contracts	406	2,025
Other creditors	1,223,723	987,534
	-----	-----
	4,711,433	4,855,040
	-----	-----

The nature of the group intercompany loan is that this is considered to be long term funding from the parent company, with no expectation of calls on the balance within twelve months of the accounting period end in excess of fund availability and cash generation capacity.

**16. Creditors: amounts falling due after more than one year**

	2023	2022
	£	£
Bank loans and overdrafts	1,732,070	1,890,337
Obligations under finance leases and hire purchase contracts	—	506
	-----	-----
	1,732,070	1,890,843
	-----	-----

The bank loan, amounting to £145,829 due within one year and £1,732,070 after more than one year, is subject to a twenty year repayment profile from January 2014, reviewed every five years, with the first review having now been undertaken and terms renewed.

Interest is chargeable at 2% over bank base rate with monthly repayments of capital and interest. The bank loan is secured on the assets of the company.

The amount repayable more than five years from the balance sheet date is £1,047,575 (2022: £1,274,486).

**17. Finance leases and hire purchase contracts**

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2023	2022
	£	£
Not later than 1 year	406	2,025
Later than 1 year and not later than 5 years	—	506
	----	-----
	406	2,531
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**18. Financial risk management objectives and policies**

The exposure of the company to price risk and credit risk is not considered material for the assessment of the assets, liabilities, financial position and income or expenditure of the company. Liquidity risk and cash flow risk, especially in connection with the risk posed by Covid 19, have been addressed in the strategic report and note 3 to the financial statements.

**19. Employee benefits****Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 18,204 (2022: £ 16,721 ).

## 20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	—	103,239
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## 21. Called up share capital

### Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £ 1 each	340,100	340,100	340,100	340,100
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## 22. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses. Revaluation reserve - This reserve records the fair value movements on assets that took place in prior accounting periods.

## 23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	65,925	65,925
Later than 1 year and not later than 5 years	263,700	263,700
Later than 5 years	725,175	725,175
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	1,054,800	1,054,800
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The amount payable under operating leases is dependant upon turnover derived from the premises to which the rent relates. It is estimated that the minimum amount payable for the term of the lease will amount to no less than the amount stated above.

## 24. Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with it's ultimate parent company, DGCC Ltd. DGCC Limited provides security for the bank borrowings of Saxon Hotels Limited as set out in notes 15 and 16 above.

## 25. Controlling party

Saxon Hotels Ltd is a wholly owned subsidiary of DGCC Limited, which is ultimately controlled by Mr G Dyke . DGCC Ltd will be preparing consolidated group accounts for the year ended 31 March 2023.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.