Registered number: 05432837

OAKMAN INNS AND RESTAURANTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 4 JULY 2021

OAKMAN INNS AND RESTAURANTS LIMITED

COMPANY INFORMATION

Directors	P Borg-Neal A Ford D King J Leslie D Sherratt
Registered number	05432837
Registered office	The Akeman, 9 Akeman Street Hertfordshire HP23 6AA

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STRATEGIC REPORT
FOR THE PERIOD ENDED 4 JULY 2021

Introduction

The Directors present their report and the financial statements for the 12 months ended 4 July 2021.

Business review

Overall, the year was very much defined by continued uncertainties caused by Government restrictions on our ability to trade at various times due to the coronavirus pandemic. Although all sites reopened on 4th July 2020, trading became subsequently restricted including "rule of six", "substantial meal rules", "10pm closing rules", outdoor only trading rules and a second national lockdown in November and a third that lasted from mid-December to April 2021. The programme of Government support, through various job retention schemes, rates forgiveness, a temporary VAT reduction on food and overnight stays and 13 days of Eat Out to Help Out cushioned some of the disruption caused, but it is clearly not sensible to draw conclusions to underlying trading as a result.

The business focused attention on surviving the pandemic, re-energising our employees so that we could be ready to re-start when we were allowed to, and set the business to take advantage of opportunities as they arose.

The business entered the year with an estate of 28 locations (including 8 management sites) and ended the year with 35 with another site in Wokingham under construction and a further pipeline of sites in hand. The key addition of 6 sites in the northwest of the country represented an acceleration of our plan to roll out smaller and less capital-intensive locations. Operating under the Seafood Pub Company brand, this allows us to convert our existing smaller sites to the same format as well as providing us with a foothold to extend the Oakman Inns brand further across the UK. Additionally, the business added The Woburn Hotel – a 55-bedroom former Coaching Inn which takes our bedroom stock to 225 rooms as we continue to develop that part of our offer.

Despite being closed under coronavirus rules for some 5 months in total during the year, the Company produced Turnover of £20.5m with adjusted EBITDA of £2.4m and Net Liabilities of £8.0m as at 4th July 2021.

Highlights for Oakman Inns & Restaurants Limited

• During the periods across the year when we were allowed to trade from April onwards, sales outperformed the market by 34% (per Coffer Peach)

• Customer qualitative scores measured by our Feed It Back guest opinion score improved to 79%

• During the periods of closure, the Group utilised Government support including Coronavirus Job Retention Scheme, Vat deferment, rates relief and grant support schemes.

Other Financial and Non-Financial Indicators

• Average net sales per site when open after lockdown amounted to £43k per week.

• Wet Margins improved by 1.1%

• Dry margins improved by 2.7%

• Team retention and team churn is a crucial KPI for measuring the stability of our team and our investment in recruitment, selection and ongoing training. This year, this measurement was not comparable due to the Covid-19 pandemic.

• During the year, the following additional sites were opened

o The Woburn, Woburn – this is part of Oakman Inns and Restaurants Ltd

o The sites below operated as a management agreement

- o The Alma Inn, Colne
- o The Derby Arms, Longbridge
- o The Farmer's Arms, Great Eccleston
- o The Fenwick, Claughton
- o The Fleece, Addington
- o The Forest, Fence

Future Development

Looking forward, Oakman Inns and Restaurants Limited is well placed to compete for market share and aims to deliver further success by:

1. Focusing the business on the growth in the premium eating-out market.

2. Evolving our concept to maintain high levels of customer affinity and relevance.

3. Generating high returns on investment through scale advantages.

4. Extending the skill base of our people to ensure operational excellence and consumer focus.

5. Reducing the levels and cost of our funding structure.

6. Continuing to build a sound financial base with a cautious approach to debt and a flexible approach to property ownership.

We believe we have the management skills, operational concepts and ambition to grow the business. The Board are committed to growing ultimate shareholder value whilst carefully managing the risks in so doing.

Since the year end, the Group has added a further 3 sites to the operational estate with a new leasehold site, The Rose Inn in Wokingham and 2 freehold sites, The Grand Junction in Buckingham and The Hesketh Arms in Rufford. Additionally, the Group has secured a pipeline of 8 development sites in various stages of securing relevant planning permission.

Employees

Oakman Inns and Restaurants Limited is committed to eliminating discrimination and encouraging diversity amongst our workforce. Our aim is that each employee feels respected and is valued based upon their skills, performance and commitment.

Oakman Inns and Restaurants is an equal opportunities employer. It is committed to providing equal opportunities throughout the employment including the recruitment, training and promotion of workers, and to eliminating discrimination in the workplace whether on ground of age, gender, marital status or sexual orientation, race, national or ethnic origin, religious orientation or beliefs or disability. All job applicants and workers are treated equally and the Group is willing to make reasonable adjustments where appropriate for disabled applicants and workers.

Each employee has an obligation to promote an equal opportunity environment within the Company.

Oakman employees also have a duty to observe and apply this policy at all times. Violation of this policy is a serious offence and could result in disciplinary action and/or summary dismissal.

Engagement with employees

Maintaining strong engagement with our employees has never been more important than during this year where our team have been on furlough, working remotely and faced with much uncertainty.

Team welfare was high on our priorities and we issued various team surveys and had staff representative meetings to ensure we were in touch with our team and their needs and were able to respond accordingly.

Our team's personal wellbeing and mental health has been at the forefront of our plans and we have used many of the services provided by Hospitality Action to support our teams during this time.

Corporate Social Responsibility

The directors firmly believe that social responsibility is an integral part of the wealth creation process. This in turn enhances the competitiveness of Oakman as well as improving the wellbeing of our team, the local communities which we serve in and our broader stakeholders.

The Oakman leadership team have consistently paved the way forward for the broader industry by demonstrating that a long term balanced approach centred around people, planet and profits is the key to building a successful and sustainable business.

The directors firmly believe that social responsibility is an integral part of the wealth creation process. This in turn enhances the competitiveness of Oakman as well as improving the wellbeing of our team, the local communities which we serve in and our broader stakeholders.

The Oakman leadership team have consistently paved the way forward for the broader industry by demonstrating that a long term balanced approach centred around people, planet and profits is the key to building a successful and sustainable business.

Each Oakman Inn raises money for and engages with specific local charities which are chosen at the discretion of the local team.

From a corporate perspective, Oakman has provided significant support for a range of national and industry

charities including The Epilepsy Society, Woodland Trust, Hospitality Action, the Tim Bacon Foundation and

many more. In late 2021 Oakman Group engaged with Tree Nation and planted a tree for every hot drink that

was purchased and we are on track to plant one million trees by the end of the first year.

Oakman Group has a proud record of establishing the best practice in terms of sustainability policies across the wider pub industry.

Section 172 Statement

The Directors are aware of their duty under Section 172 of the Companies Act 2006, to act in a way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so, have regard (amongst other matters) to:-

• the likely consequences of any decision in the long-term;

• the interests of the company's employees;

• the need to foster the company's business relationships with suppliers, customers and others;

• the impact of the company's operations on the community and the environment;

• the desirability of the company maintaining a reputation for high standards of business conduct; and

• the need to act fairly as between members.

Below is how we focus and promote these areas:-

Long term impact –

• The Directors regularly update their stakeholders on the balanced scorecard KPI measures and seek debate, challenge and approval from the Board and Non Executive directors

• Employees –

• Introducing Covid-19 safety measures and training to ensure our employees feel safe in the workplace and confident in serving our guests.

• Employee engagement through team surveys, bi monthly team representative meetings, award winning training and development programmes for all levels, apprenticeship schemes, career planning framework, fast track leadership development for future general managers, and recognition system for team who demonstrate our values.

Customers -

• Introducing various Covid-19 safety measures to ensure customers are safe

• Building trust with our customers at every stage of the customer journey and ensuring our customers are at the heart of all process such as deposits, cancellations, no shows, refunds, complaints, feedback, free celebratory gifts for customers

• Providing premium dining experience consistently

• Introducing technology to improve the customer journey – for example App ordering system

• Responding to customer feedback including via social media channels

Suppliers -

• Long term partnerships with suppliers and landlords have been built over the last twelve years.

• Maintain regular conversations with suppliers during Covid-19 pandemic to agree payment plans which work for both parties

• We build long term partnerships with suppliers the focuses on quality, provenance and sustainability that is constantly reviewed.

Community & Environment -

• As our businesses are rooted in our local communities, we operate our licences responsibly

• Local community support with food banks during Covid-19 Pandemic

• Raising funds for local charities

• Recruitment of team mainly in local community

• Focus on environmentally friendly operating procedures such as reduction in single use plastic, focus on energy consumption and energy efficient measures

Section 172 Statement (continued)

High Standards -

• A balanced scorecard approach to evaluating quality and the premium offering

• Setting the standards for Covid-19 safe operating procedures for the industry – which were filmed and

documented as an example of best practice on Government guidance on Covid-19 safe operations

• Quality processes and controls for all areas of the operation

• External benchmarking

Acting Fairly between stakeholders -

• Stakeholder engagement relevant for each stakeholder group

• Regular communication and business updates with all stakeholders

Principal risks and uncertainties

The principal risks facing the business are:-

• Funding – the size and type of leverage exposes the business to short term fluctuations in market conditions. Although cashflow and other information is constantly monitored, re-engineering the structure of the balance sheet is the primary focus of the board.

• Employment landscape – as a service business, access to sufficient labour is critical. Post Brexit and the

impact of Covid-19, the labour market has contracted and the business is facing this challenge by creating and

developing a strategy that attracts, develops and retains the best talent in our market.

• Food safety – the business retains the highest standards of food safety and correctly places this issue at the top of every management meeting.

• Data security – the board has implemented sufficient defences in our networks to prevent criminal attacks. A sustained attack, if successful, would disrupt our ability to trade using payment cards.

This report was approved by the board on 30 June 2022 and signed on its behalf.

D King
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 4 JULY 2021

The Directors present their report and the financial statements for the period ended 4 July 2021.

Directors' responsibilities statement

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

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

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

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

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

Results and dividends

The loss for the period, after taxation, amounted to £2,460,694 *(2020 - loss £13,645,169)*.

The Directors do not recommend payment of a dividend (2020 - no dividend).

Directors

The Directors who served during the period were:

P Borg-Neal
A Ford
A Harman (resigned 1 December 2021)
D King
J Leslie
M Radley (resigned 18 November 2021)
D Sherratt
D Sidwell (resigned 15 December 2021)
M Smith (resigned 15 December 2021)
K Wilson (resigned 15 December 2021)

Disclosure of information to auditors

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

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

Post balance sheet events and going concern

Trading

Covid disruptions – July and August 2021

By July 2021, most coronavirus restrictions as they related to bars/restaurants had been removed. The UK, however, was experiencing a third wave of Covid cases and the business experienced restrictions on its ability to trade due to staff absenteeism caused by NHS App contact notifications which informed contacts to self-isolate if they came into close contact with positive cases.

Covid disruptions – December 2021

In the run up to Christmas 2021, a fourth wave of positive cases spread across the UK. The government did not implement restrictions per se, but strongly advised businesses not to organise gatherings or office parties in the key festive trading period before Christmas week. The business experienced a significant number of cancelled events as people sought to protect themselves from having to isolate on Christmas Day.

Refinancing

Oakman Group Plc, upon which the company relies on for support, raised £9.2m of new equity since the year end whilst the company reduced unsecured loans by £3.9m (including £2.9m which was converted to equity in Oakman Group Plc).

The company also drew on a new £1.4m loan from Haywood (L&C) Limited in October 2021. The new loan is secured against the fixture and fittings of the Rose, Wokingham, has a cost of 10% pa over base and is repayable in October 2024.

Since the year end £8.3m of shareholder loans has been converted to equity.

New subsidiary

A new 100% subsidiary, Oakman Dev Limited was incorporated on 11 January 2022 with Oakman Inns and Restaurants Limited subscribing to the 1 odrinary share for £1. This new subsidiary was set up for the development of our Harpenden site.

Going concern

The Directors have concluded that the Company is a going concern based on the cashflow forecasts that have been prepared. These forecasts, and the environment in which the Company operates, do indicate material uncertainties over the going concern status. Further details on this can be found in note 2.3.

Auditors

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

This report was approved by the board on 30 June 2022 and signed on its behalf.

D King
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN INNS AND RESTAURANTS LIMITED

Opinion

We have audited the financial statements of Oakman Inns and Restaurants Limited (the 'Company') for the period ended 4 July 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 4 July 2021 and of its loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the Company is reliant on group support. The wider Group has an overdraft repayable on demand and there is uncertainty over the future financing. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN INNS AND RESTAURANTS LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

Auditors' 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 Auditors' 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 consider the most significant laws and regulations that have a direct impact on the financial statements to be:

- FRS102 and Companies Act 206 compliance: We reviewed of the financial statement disclosures and perform

testing on balances and disclosures.

- Tax regulation: We inspected correspondence with regulators and tax authorities, and reviewed the companies tax computations;

We consider the most significant laws and regulations that have an indirect impact on the financial statements

are:

- Food safety and hygiene: We discussed with management to identify whether they were aware of instances of non-compliance, we reviewed board minutes, we searched for a sample of sites on the FSA website to identify whether any instances of poor ratings or breaches.

We considered the following areas to be those where the financial statements are most susceptible to fraud:

- Revenue recognition: We evaluated management's controls designed to prevent and detect irregularities in

revenue, we completed a cash reconciliation to agree the revenue recognised to bank receipts and we

completed cut off testing on receipts around the year end.

- Management override of controls: We evaluated management's controls designed to prevent and detect

irregularities and we sampled and tested journals, in particular journal entries posted with unusual account

combinations, postings by unusual users or with unusual descriptions, and we challenging assumptions and

judgements made by management in their critical accounting estimates.

- Government grants under the Coronavirus Job Retention Scheme (CJRS): We obtained and understanding

of the systems and process in place over claims, we agreed the bank receipts to the amount recognised in the

accounts for these grants, and we tested a sample of employee claims ensuring the calculations were correct

and the conditions were complied with.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Andrew Ball (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

30 June 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 4 JULY 2021

	Note	2021 £	*2020* *£*
Turnover	4	**20,458,044**	*17,163,729*
Cost of sales		**(16,151,050)**	*(14,696,805)*
Gross profit		**4,306,994**	*2,466,924*
Administrative expenses		**(5,771,165)**	*(7,306,964)*
Other operating income	5	**3,852,338**	*2,112,222*
Adjusted EBITDA	6	**2,388,167**	*(2,727,818)*
Exceptional expenditure	13	**(192,752)**	*(6,294,735)*
Depreciation and amortisation		**(1,382,847)**	*(1,627,823)*
Total operating profit/(loss)	6	**812,568**	*(10,650,376)*
Interest receivable and similar income	10	**145,842**	*97,579*
Interest payable and similar expenses	11	**(3,419,104)**	*(3,092,372)*
Loss before tax		**(2,460,694)**	*(13,645,169)*
Loss for the financial period		**(2,460,694)**	*(13,645,169)*
Other comprehensive income for the period			
Total comprehensive income for the period		**(2,460,694)**	*(13,645,169)*

The notes on pages 18 to 38 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 4 JULY 2021

	Note		4 July 2021 £		*30 June 2020 £*
Fixed assets					
Intangible assets	14		**90,543**		*153,348*
Tangible assets	15		**15,947,107**		*14,369,444*
Investments	16		**1,164,711**		*1,164,711*
			17,202,361		*15,687,503*
Current assets					
Stocks	17	**252,430**		*181,477*	
Debtors: amounts falling due within one year	18	**19,049,125**		*16,100,376*	
Cash at bank and in hand	19	**4,227,113**		*1,130,754*	
		23,528,668		*17,412,607*	
Creditors: amounts falling due within one year	20	**(43,977,773)**		*(26,827,752)*	
Net current liabilities			**(20,449,105)**		*(9,415,145)*
Total assets less current liabilities			**(3,246,744)**		*6,272,358*
Creditors: amounts falling due after more than one year	21		**(4,738,009)**		*(12,112,011)*
Net liabilities			**(7,984,753)**		*(5,839,653)*
Capital and reserves					
Called up share capital	23		**1,180,566**		*1,154,923*
Share premium account	24		**20,693,483**		*20,403,532*
Warrant reserve	24		**1,164,707**		*1,164,707*
Other reserves	24		**61,650**		*61,650*
Profit and loss account	24		**(31,085,159)**		*(28,624,465)*
			(7,984,753)		*(5,839,653)*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2022.

D King
Director

The notes on pages 18 to 38 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 4 JULY 2021

	Called up share capital	Share premium account	Warrant Reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 July 2020	1,154,923	20,403,532	1,164,707	61,650	(28,624,465)	(5,839,653)
Loss for the period	-	-	-	-	(2,460,694)	(2,460,694)
Shares issued during the period	25,643	289,951	-	-	-	315,594
Total transactions with owners	25,643	289,951	-	-	-	315,594
At 4 July 2021	1,180,566	20,693,483	1,164,707	61,650	(31,085,159)	(7,984,753)

The notes on pages 18 to 38 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020

	Called up share capital	Share premium account	Warrant Reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 July 2019	1,046,644	18,402,713	1,164,707	63,650	(14,979,296)	5,698,418
Loss for the year	-	-	-	-	(13,645,169)	(13,645,169)
Shares issued during the year	108,279	2,000,819	-	-	-	2,109,098
Payment	-	-	-	(2,000)	-	(2,000)
Total transactions with owners	108,279	2,000,819	-	(2,000)	-	2,107,098
At 30 June 2020	1,154,923	20,403,532	1,164,707	61,650	(28,624,465)	(5,839,653)

The notes on pages 18 to 38 form part of these financial statements.

1. General information

Oakman Inns and Restaurants Limited is a company limited by shares, incorporated in England and Wales where it is also registered. The company specialises in the running of premium pubs, with or without letting rooms. The registered office of the company is 9 Akeman Street, Tring, Herts, HP23 6AA which also is the company's principal place of business.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group. The results of the company and the group headed by it are included in the consolidated financial statements of its parent company Oakman Group Limited.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Oakman Group Limited as at 30 June 2020 and these financial statements may be obtained from Companies House.

2. Accounting policies (continued)

2.3 Going concern

The Company is reliant on the support of the wider Oakman Group.

Detailed cashflow projections have been prepared for the Group to June 2023 including a sensitised version to reflect the impact a material reduction of trade would have on the Group's cash position. These projections show that Group has sufficient cash to operate until at least June 2023 and, as such, the Directors have prepared the financial statements on a going concern basis.

The forecasts assume that a CBIL overdraft provided by Santander which is repayable on demand will not be called in and that other facilities provided by Santander, which are repayable in full in December 2022, can either be extended or refinanced.

The Directors are confident in this assumption on the basis that:

• Santander UK plc have confirmed that they currently have no intention to withdraw the CBILS facility.

• Both Santander UK Plc and Barclays Plc have issued credit approved terms for a new, larger bilateral banking facility which is expected to be drawn shortly after the signing of these financial statements.

• Given the quality of the Group's estate and the industry leading performance of the business, it is reasonable to assume that it could refinance the Santander facilities with another lender in the unlikely event that either the CBIL was called in or the new bilateral facility from Santander and Barclays did not complete.

Analysis of the sensitised cash flow projections indicate that there may be a requirement to raise a further £2m and the Directors are in discussion with a provider. The Directors are confident that agreement will be reached and that the funds will be available as required.

Despite the Directors confidence in the forecasts, there is a recognition that material uncertainty exists regarding the assumptions that the CBILS facility will not be called in, that the Santander facilities will be renegotiated by December 2022 and that the £2m loan will be raised if necessary.

If these assumptions proved to be incorrect, significant doubt would be cast on the wider Group's ability to support the Company and therefore the Company's ability to continue as a going concern.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable for the sale of food and beverage items, as well as room sales in certain pubs, excluding value added tax and other sales taxes.

2.5 Operating leases: the Company as lessee

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

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

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. During the year the company received both revenue and asset based grants.

The revenue based grants received were in relation to the Coronavirus Job Retention Scheme (CJRS) and they have been recognised as Other Income in the Statement of Comprehensive Income. The amounts recognised to 4 July 2021 reflect the employee's covered by CJRS in the period leading up to this date, while the pubs were closed due to the Covid-19 pandemic.

The asset based grants received were in relation to the Retail, Hospitality and Leisure Grant Fund and they have been recognised as Other Income in the Statement of Comprehensive Income.

As the lead of the group PAYE scheme, the company claimed for grants for all employees within Oakman Group. Where employees work in other group companies, Oakman Inns & Restaurants made the grant claim and paid the amount to the respective companies on receipt. The amount recognised in Other Income is solely the amount in relation to employees in this company.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

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

2.9 Borrowing costs

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

2.10 Pensions

Defined contribution pension plan

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

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

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.14 Tangible fixed assets

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

2. Accounting policies (continued)

2.14 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Leasehold property	- Over the life of the lease
Plant and machinery	- 10% straight line
Fixtures and fittings	- 10% straight line
Office equipment	- 33% straight line
Other fixed assets	- 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

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

2.18 Debtors

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

2. Accounting policies (continued)

2.19 Cash and cash equivalents

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

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Financial instruments

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

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

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

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

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

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of furture events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. The directors consider the valuation of fixed assets to be a critical estimate and judgement applicable to the financial statements.

Tangible Fixed Assets

The estimated useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. Due to the significance of tangible fixed asset investment to the company, variations between actual and estimated useful economic lives could impact operating results both positively and negatively, although historically few changes to estimated useful economic lives have been required.

The group is required to evaluate the carrying values of tangible fixed assets for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements and estimates regarding the cash generating units under review. Management have identified each site to be a cash generating unit.

For the sites where there was an indicator of impairment, a review was carried out by comparing the recoverable value of the site to the carrying value. The recoverable value was identified by considering the future cash flows expected at the year end date, the EBITDA muliple expected to be generated on sale, and in some cases the value of the site as a closed property. All of these varies are judgemental and if actual amounts differ from the expected values used there could be a material impact on the financial statements.

4. Turnover

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

	2021	*2020*
	£	*£*
Food and Beverage	**17,804,850**	*15,640,439*
Accommodation	**181,783**	*435,928*
Other	**8,303**	*81,513*
Management Fees	**2,463,108**	*1,005,848*
	20,458,044	*17,163,728*

All turnover arose within the United Kingdom.

5. Other operating income

	2021	2020
	£	£
Net rents receivable	163,581	183,208
Government grants receivable	3,688,757	1,929,014
	3,852,338	2,112,222

The Company was awarded a government grant amounting to £3,090,517 (2020: £1,854,014) in relation to the Coronavirus Job Retention scheme. The company was also awarded £598,240 (2020: £75,000) of government grants under the Retail, Hospitality and Leisure Grant Fund.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	1,252,899	1,544,369
Amortisation of intangible assets	129,948	271,975
Other operating lease rentals	1,434,552	2,012,979
Defined contribution pension scheme	303,707	253,778

7. Auditors' remuneration

	2021	2020
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	26,000	25,000

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

8. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	10,922,846	9,982,659
Social security costs	792,546	727,226
Cost of defined contribution scheme	303,707	253,778
	12,019,099	10,963,663

The average monthly number of employees, including the Directors, during the period was as follows:

	2021 No.	2020 No.
Retail	497	455
Office	78	83
	575	538

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	875,463	692,927
Company contributions to defined contribution pension schemes	58,038	71,497
	933,501	764,424

The highest paid Director received remuneration of £183,684 *(2020 - £208,041)*.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £24,134 *(2020 - £22,400)*.

10. Interest receivable

	2021 £	2020 £
Interest receivable from group companies	145,842	97,579
	145,842	97,579

11. Interest payable and similar expenses

	2021	2020
	£	£
Bank interest payable	306,909	336,793
Other loan interest payable	3,112,195	2,755,579
	3,419,104	3,092,372

12. Taxation

	2021	2020
	£	£
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

12. Taxation (continued)

Factors affecting tax charge for the period/year

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

	2021 £	*2020* *£*
Loss on ordinary activities before tax	**(2,460,694)**	*(13,645,169)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**(467,532)**	*(2,592,582)*
Effects of:		
Expenses not deductible for tax purposes	**111,116**	*857,912*
Capital allowances for period/year in excess of depreciation	**64,026**	*390,627*
Utilisation of tax losses	**(34,239)**	*(70,029)*
Other permanent differences	**950**	-
Group relief	**3,379**	-
Remeasurement of deferred tax charges and rates	**(945,164)**	*(116,091)*
Deferred tax not recognised	**1,267,464**	*1,530,163*
Total tax charge for the period/year	**-**	-

Factors that may affect future tax charges

In March 2021 it was announced the UK corporation tax rate would increase to 25% in April 2023. This announcement does not constitute substantive enactment and therefore deferred taxes at the balance sheet date continue to be measured at the enacted tax rate of 19%.

13. Exceptional items

	2021 £	*2020* *£*
Other exceptional items	**729,399**	*793,006*
Fixed asset impairment / (reversal)	**(536,648)**	*1,140,832*
Intercompany debt impairment	**-**	*4,126,692*
Pre-opening costs	**-**	*234,205*
	192,751	*6,294,735*

14. Intangible assets

	Development expenditure £
Cost	
At 1 July 2020	**703,652**
Additions	**67,143**
At 4 July 2021	**770,795**
Amortisation	
At 1 July 2020	**550,304**
Charge for the period	**129,948**
At 4 July 2021	**680,252**
Net book value	
At 4 July 2021	**90,543**
At 30 June 2020	*153,348*

15. Tangible fixed assets

	Leasehold property	Plant and machinery	Fixtures and fittings	Office equipment	Other fixed assets	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 July 2020	14,063,628	1,457,447	4,535,744	1,241,556	309,190	21,607,565
Additions	997,474	83,227	1,226,805	49,290	97,956	2,454,752
At 4 July 2021	15,061,102	1,540,674	5,762,549	1,290,846	407,146	24,062,317
Depreciation						
At 1 July 2020	3,406,889	965,602	1,632,886	1,056,016	176,728	7,238,121
Charge for the period on owned assets	414,188	119,567	427,359	162,445	129,340	1,252,899
Impairment losses written back	(375,810)	-	-	-	-	(375,810)
At 4 July 2021	3,445,267	1,085,169	2,060,245	1,218,461	306,068	8,115,210
Net book value						
At 4 July 2021	11,615,835	455,505	3,702,304	72,385	101,078	15,947,107
At 30 June 2020	*10,656,739*	*491,845*	*2,902,858*	*185,540*	*132,462*	*14,369,444*

16. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 July 2020	**1,164,711**
At 4 July 2021	**1,164,711**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Oakman Property Limited	Ordinary	100 %
Oakman Ventures Limited	Ordinary	100 %
Oakman Inns (P&E) Limited	Ordinary	100 %
Ashmore Inns Limited	Ordinary	100 %
Oakman Bedfordshire Holdings Limited*	Ordinary	100 %
The Beech Hut Limited*	Ordinary	100 %
Hunky Dory Pubs Limited*	Ordinary	100 %
Downoak Limited*	Ordinary	100 %
Hedderwick Limited*	Ordinary	100 %
Oakman Devco Limited*	Ordinary	100 %

*Indirect subsidiary undertakings

The registered address for all subsidiary undertakings, direct or indirect, is 9 Akeman Street, Tring, Herts, HP23 6AA.

17. Stocks

	4 July 2021	*30 June 2020*
	£	*£*
Finished goods and goods for resale	**252,430**	*181,477*
	252,430	*181,477*

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	4 July 2021 £	*30 June 2020 £*
Trade debtors	**6,079**	*31,995*
Amounts owed by group undertakings	**16,353,311**	*14,953,607*
Amounts owed by related parties	**398,641**	*20,971*
Other debtors	**1,496,597**	*648,706*
Prepayments and accrued income	**794,497**	*445,097*
	19,049,125	*16,100,376*

Amounts owed by group undertakings are repayable on demand.

19. Cash and cash equivalents

	4 July 2021 £	*30 June 2020 £*
Cash at bank and in hand	**4,227,113**	*1,130,754*
	4,227,113	*1,130,754*

20. Creditors: Amounts falling due within one year

	4 July 2021 £	*30 June 2020 £*
Bank loans	**3,620,967**	*3,423,114*
Shareholder loans	**12,068,418**	*14,263,308*
Trade creditors	**2,633,121**	*2,666,988*
Amounts owed to group undertakings	**13,380,184**	*757,862*
Other taxation and social security	**2,876,879**	*1,985,414*
Other creditors	**895,356**	*461,046*
Accruals and deferred income	**8,502,848**	*3,270,020*
	43,977,773	*26,827,752*

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

21. Creditors: Amounts falling due after more than one year

	4 July 2021 £	*30 June 2020 £*
Bank loans	**3,548,009**	*4,133,241*
Shareholder loans	**-**	*6,143,729*
Other taxation and social security	**1,190,000**	-
Accrual interest	**-**	*1,835,041*
	4,738,009	*12,112,011*

22. Loans

Analysis of the maturity of loans is given below:

	4 July 2021 £	30 June 2020 £
Amounts falling due within one year		
Bank loans	**3,620,967**	*3,423,114*
Shareholder loans	**12,068,418**	*14,263,308*
	15,689,385	*17,686,422*
Amounts falling due 1-2 years		
Bank loans	**3,548,009**	*1,047,114*
Shareholder loans	**-**	*6,143,729*
	3,548,009	*7,190,843*
Amounts falling due 2-5 years		
Bank loans	**-**	*3,086,127*
	-	*3,086,127*
	19,237,394	*27,963,392*

22. (continued)

Shareholder Loans

During the year £8.3m of shareholder loans were converted to equity in Oakman Group Plc. The shareholder loans balance as at 4th July 2021 is made up of:

£5,468,418 (2020 - £9,537,037) of loans that were due in less than one year but subordinated to the bank loan with Santander. Interest on these loans is 10% p.a.

£2,600,000 (2020 £6,950,000) of loans that were in less than one year but subordinated to the bank loan with Santander. Interest on these loans was renegotiated during the year to 18% when the business was allowed to trade but a reduced rate of 12% when the business was forced to close due to COVID-19 restrictions.

£4,000,000 (2020 £4,000,000) loans that were that were in less than one year but subordinated to the bank loan with Santander with interest in £1,000,000 payable at 20% and £3,000,000 payable at 30%.

A number of these loans were either repaid/converted to equity or extend post year end.

Bank Loans

The bank loans balance is made up of:

A bank loan for £4,792,976 (2020 - £5,180,360) with Santander. The loan is split 54:46 between the Senior Capital Facility and the Growth Capital Facility. Interest is charged at 5% p.a. Quarterly repayments of the Senior Capital Facility began on 30 September 2019 each quarter until 30 June 2022. The Growth Capital Facility is repayable on 6 July 2022. The loan is secured on this company's leasehold properties. Post year end the repayment date on the loan was extended from June 2022 to 31 December 2022.

A £2,376,000 (2020 - £2,376,000) overdraft issued through the CBIL's scheme. The overdraft was drawndown on on 26 June 2020. The overdraft is repayable on demand and has a maximum term of 3 years. Interest on this overdraft is covered by the government for the first year and is then charged at base rate plus 3.25%. The group has access to another overdraft issued under CBIL's for £386,000 (2020 - £386,000). This overdraft has the same terms but was not drawn upon as at 4 July 2021. During the year £165,862 (2020 - £43,267) of interest payable on this loan was rolled up into the capital value due to Covid-19 concessions being given. It is now due as part of the final loan repayment and has therefore been disclosed within the bank loan balance.

23. Share Capital

	4 July 2021 £	*30 June 2020 £*
Allotted, called up and fully paid		
9,826,051 *(2020 - 9,569,615)* Ordinary shares of £0.10 each	**982,605**	*956,962*
1,978,612 *(2020 - 1,978,612)* Ordinary A shares shares of £0.10 each	**197,861**	*197,861*
1,000 *(2020 - 1,000)* Ordinary B shares shares of £0.10 each	**100**	*100*
	1,180,566	*1,154,923*

23. Share Capital (continued)

During the year 184,357 Ordinary shares of £0.10 each were issued at a premium of £1.75.

24. Reserves

Share premium account

Includes any premiums recieved on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

The other reserve hold shares to be issued as part of employee share plan.

Profit and loss account

Includes all profits and losses accumulated in the current and previous periods.

25. Pension commitments

The Group in which the Company sits operates a defined contributions pension scheme for all employees within the company. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions totalling £64,203 (2020: £73,575) were payable to the fund at the reporting date.

26. Commitments under operating leases

At 4 July 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	4 July 2021 £	*30 June 2020 £*
Not later than 1 year	**2,046,000**	*1,628,000*
Later than 1 year and not later than 5 years	**8,184,000**	*6,512,000*
Later than 5 years	**32,307,000**	*28,887,000*
	42,537,000	*37,027,000*

27. Related party transactions

During the year to 4 July 2021 fees of £nil (2020: £307,684) were charged by companies under common control due to mutual directors. At the period end £489,902 (2020: £292,577) of these fees were owed. Of this amount £284,784 has been provided for at year end (2020: £292,577).

Included within shareholder loans is an amount of £6,165,816 (2020: £13,582,159) which are loans held by directors and their close family. The total interest accrued on these loans is £6,019,236 (2020: 3,634,206). During the year £2,385,029 (2020: £1,163,205) of interest was charged. An amount of £5,332,864 (2020: £nil) was converted to equity in the year.

28. Post balance sheet events

Trading

Covid disruptions – July and August 2021

By July 2021, most coronavirus restrictions as they related to bars/restaurants had been removed. The UK, however, was experiencing a third wave of Covid cases and the business experienced restrictions on its ability to trade due to staff absenteeism caused by NHS App contact notifications which informed contacts to self-isolate if they came into close contact with positive cases.

Covid disruptions – December 2021

In the run up to Christmas 2021, a fourth wave of positive cases spread across the UK. The government did not implement restrictions per se, but strongly advised businesses not to organise gatherings or office parties in the key festive trading period before Christmas week. The business experienced a significant number of cancelled events as people sought to protect themselves from having to isolate on Christmas Day.

Refinancing

Oakman Group Plc, upon which the company relies on for support, raised £9.2m of new equity since the year end whilst the company reduced unsecured loans by £3.9m (including £2.9m which was converted to equity in Oakman Group Plc).

The company also drew on a new £1.4m loan from Haywood (L&C) Limited in October 2021. The new loan is secured against the fixture and fittings of the Rose, Wokingham, has a cost of 10% pa over base and is repayable in October 2024.

Since the year end £8.3m of shareholder loans has been converted to equity.

New subsidiary

A new 100% subsidiary, Oakman Dev Limited was incorporated on 11 January 2022 with Oakman Inns and Restaurants Limited subscribing to the 1 odrinary share for £1. This new subsidiary was set up for the development of our Harpenden site.

29. Controlling party

The immediate parent and ultimate controlling party is Oakman Group Plc. Its registered address is 9 Akeman Street, Tring, Hertfordshire, HP23 6AA. Oakman Group Plc produces consolidated accounts which includes this company.