

COMPANY REGISTRATION NUMBER: 06291350

**Venice Regal Sheffield Limited**

**Financial Statements**

**31 March 2023**

# Venice Regal Sheffield Limited

## Financial Statements

**Year ended 31 March 2023**

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# Venice Regal Sheffield Limited

## Officers and Professional Advisers

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### The board of directors

Ms S Howes

Mr N Burgin

G Dyke

G J Davies

### Registered office

C/O Director of Finance

Mosborough Hall Hotel

High Street

Mosborough

Sheffield

S20 5EA

### Auditor

Hebblethwaites

Chartered Accountants & Statutory Auditors

2 Westbrook Court

Sharrow Vale Road

Sheffield

S11 8YZ

# Venice Regal Sheffield Limited

## Strategic Report

### Year ended 31 March 2023

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Following on from the challenges of the previous two years as a result of the global pandemic, the 2022 year was one of significant recovery, with turnover increasing by over £2.3 million, taking the total back to pre-pandemic levels. This latest year has seen further growth with an increase in revenue of some 16% to a record level, if against a background of increasing costs in the current challenging economic climate. The key performance indicators for the year were as follows: - Turnover increased by £554K or 16%. - The gross profit percentage return reduced from 46.09% to 39.35%, this consequent on market pricing for direct costs of employment and products. - The operating result for the year was a loss of £229K as against a prior year profit of £779K. - The net loss for the year was £229,171 as against a prior year profit of £778,477. Despite the inevitable and global negative impact of world events, the directors are now of the view that there is a significant potential for very positive trading going forward. The company has a very strong market presence in the specialist functions market, particularly in relation to weddings. The directors are clearly monitoring the cash flow position and the availability of working capital to fund this re-emergence from the economic and social impact of world events 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, the Covid-19 pandemic was an event well beyond the control of the directors, and is indicative of the global risks which remain, including subsequent global issues which have impacted the economy generally. The company continues to be reliant on funding from related parties. This funding is under constant review, this supporting the view that the funding will remain in place for the foreseeable future.

This report was approved by the board of directors on 27 March 2024 and signed on behalf of the board by:

G J Davies

Director

Registered office:

C/O Director of Finance

Mosborough Hall Hotel

High Street

Mosborough

Sheffield

S20 5EA

# Venice Regal Sheffield 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:

Ms S Howes

Mr N Burgin

G Dyke

G J Davies

#### Dividends

The directors do not recommend the payment of a dividend.

#### Future developments

There are no changes anticipated to the fundamental nature of the business in the longer term, however, trading and operational practices have been adapted as a consequence of the global pandemic and to build future resilience to such possible issues.

#### Financial instruments

The company's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to raise funds and to finance the company's operations. Due to the nature of the financial instruments used by the company there is no exposure to price risk.

The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of bank accounts.

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

## **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 27 March 2024 and signed on behalf of the board by:

G J Davies

Director

Registered office:

C/O Director of Finance

Mosborough Hall Hotel

High Street

Mosborough

Sheffield

S20 5EA

# Venice Regal Sheffield Limited

## Independent Auditor's Report to the Members of Venice Regal Sheffield Limited

Year ended 31 March 2023

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### Opinion

We have audited the financial statements of Venice Regal Sheffield Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, statement of financial position, 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 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.

### Material uncertainty related to going concern

We draw your attention to Note 3 in the financial statements, which indicates that a material uncertainty exists, that may cast an element of doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

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

27 March 2024

**Venice Regal Sheffield Limited**  
**Statement of Comprehensive Income**

**Year ended 31 March 2023**

		<b>2023</b>	2022
	Note	£	£
<b>Turnover</b>	<b>4</b>	4,010,561	3,456,834
Cost of sales		2,432,534	1,863,738
		-----	-----
<b>Gross profit</b>		1,578,027	1,593,096
Administrative expenses		1,905,949	1,001,476
Other operating income	<b>5</b>	100,000	187,612
		-----	-----
<b>Operating (loss)/profit</b>	<b>6</b>	( 227,922)	779,232
Interest payable and similar expenses	<b>8</b>	1,249	755
		-----	-----
<b>(Loss)/profit before taxation</b>		( 229,171)	778,477
Tax on (loss)/profit		—	—
		-----	-----
<b>(Loss)/profit for the financial year</b>		( 229,171)	778,477
		-----	-----
Revaluation of tangible assets		—	( 493,827)
		-----	-----
<b>Total comprehensive income for the year</b>		( 229,171)	284,650
		-----	-----

All the activities of the company are from continuing operations.

# Venice Regal Sheffield Limited

## Statement of Financial Position

31 March 2023

		2023	2022
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	9	333,533	419,579
<b>Current assets</b>			
Stocks	10	26,662	25,545
Debtors	11	9,133,414	8,832,828
Cash at bank and in hand		535,398	560,347
		9,695,474	9,418,720
<b>Creditors: amounts falling due within one year</b>	12	1,726,747	1,306,618
<b>Net current assets</b>		7,968,727	8,112,102
<b>Total assets less current liabilities</b>		8,302,260	8,531,681
<b>Creditors: amounts falling due after more than one year</b>	13	—	250
<b>Net assets</b>		8,302,260	8,531,431
<b>Capital and reserves</b>			
Called up share capital	18	1	1
Profit and loss account	19	8,302,259	8,531,430
<b>Shareholders funds</b>		8,302,260	8,531,431

These financial statements were approved by the board of directors and authorised for issue on 27 March 2024 , and are signed on behalf of the board by:

G J Davies

Director

Company registration number: 06291350

# Venice Regal Sheffield Limited

## Statement of Changes in Equity

Year ended 31 March 2023

	Note	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
<b>At 1 April 2021</b>		1	493,827	7,752,953	8,246,781
Profit for the year				778,477	778,477
Other comprehensive income for the year:					
Revaluation of tangible assets	9	—	( 493,827)	—	( 493,827)
<b>Total comprehensive income for the year</b>		—	( 493,827)	778,477	284,650
<b>At 31 March 2022</b>		1	—	8,531,430	8,531,431
Loss for the year				( 229,171)	( 229,171)
<b>Total comprehensive income for the year</b>		—	—	( 229,171)	( 229,171)
<b>At 31 March 2023</b>		1	—	8,302,259	8,302,260

# Venice Regal Sheffield 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 C/O Director of Finance, Mosborough Hall Hotel, 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 investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

Management have determined that a material uncertainty exists that may cast doubt on the company's ability to continue as a going concern. Given the then market conditions, a valuation of the property (owned by the group) was undertaken in March 2022 which resulted in a reduction in the value of the long leasehold property assets (held in the parent company) in the prior year accounts. The nature of the company assets is such that the valuation is very much structured around the earning capacity of those assets which itself has been significantly impacted by the effect of world events and macro economic issues which have significantly affected the financial results recorded during this difficult period. As a result of this reduction in value, there has been a technical breach of a 'loan to value' financial covenant applicable to the long term debt secured against the property. Management are currently in the process of negotiating variations to the terms of the loan, but as at the date of approval of these financial statements, a definitive conclusion has not yet been determined, albeit the loan funder remains very supportive. As a result of the technical breach in loan covenant, management have determined that the long term portion of the debt be presented as a current liability in the holding company and although the entity is still considered to be a going concern, a material uncertainty inevitably exists. Management consider that a material uncertainty is appropriate in the trading company as well as the parent company, as the trade is intrinsically linked with that of the parent company.

#### **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 Vine Kenwood Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: - the requirements of Section 7 Statement of Cash Flows

## **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.

### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); 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.

### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### **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:

Freehold property	-	No depreciation
Fixtures and fittings	-	3 to 10 years straight line

**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.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**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. 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**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.



Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **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**

Turnover arises from:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Sale of goods	4,010,561	3,456,834

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

#### **5. Other operating income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Management charges receivable	100,000	—
Government grant income	—	84,022
Other operating income	—	103,590
	<u>100,000</u>	<u>187,612</u>

#### **6. Operating (loss)/profit**

Operating profit or loss is stated after charging/crediting:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible assets	188,879	146,538
Gains on disposal of tangible assets	—	( 498,431)
Impairment of trade debtors	5,344	2,350

#### **7. Staff costs**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Management staff	14	10
Administration and support	91	67
	<u>105</u>	<u>77</u>

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

	2023	2022
	£	£
Wages and salaries	1,582,229	1,254,441
Social security costs	104,872	67,640
Other pension costs	20,120	11,954
	<u>1,707,221</u>	<u>1,334,035</u>

#### 8. Interest payable and similar expenses

	2023	2022
	£	£
Interest on banks loans and overdrafts	593	149
Interest on obligations under finance leases and hire purchase contracts	656	606
	<u>1,249</u>	<u>755</u>

#### 9. Tangible assets

	Freehold property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2022	1,007,961	3,169,368	4,177,329
Additions	4,433	157,058	161,491
Disposals	—	( 2,410,472)	( 2,410,472)
<b>At 31 March 2023</b>	<u>1,012,394</u>	<u>915,954</u>	<u>1,928,348</u>
<b>Depreciation</b>			
At 1 April 2022	864,028	2,893,722	3,757,750
Charge for the year	—	188,879	188,879
Disposals	—	( 2,351,814)	( 2,351,814)
<b>At 31 March 2023</b>	<u>864,028</u>	<u>730,787</u>	<u>1,594,815</u>
<b>Carrying amount</b>			
<b>At 31 March 2023</b>	<u>148,366</u>	<u>185,167</u>	<u>333,533</u>
At 31 March 2022	<u>143,933</u>	<u>275,646</u>	<u>419,579</u>

Depreciation has not been provided on freehold property as the value in use of the property and the anticipated long expected useful life, coupled with the high expected residual value, mean that any depreciation charge would not be material.

#### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Fixtures and fittings £
<b>At 31 March 2023</b>	<u>4,010</u>
At 31 March 2022	<u>4,010</u>

#### 10. Stocks

	2023	2022
	£	£
Raw materials and consumables	26,662	25,545
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**11. Debtors**

	2023	2022
	£	£
Trade debtors	125,091	132,294
Amounts owed by group undertakings	8,626,517	8,389,380
Prepayments and accrued income	33,487	29,191
Other debtors	348,319	281,963
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	9,133,414	8,832,828
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**12. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Trade creditors	352,279	184,122
Accruals and deferred income	132,383	190,125
Social security and other taxes	53,426	19,684
Obligations under finance leases and hire purchase contracts	300	2,998
Other creditors	1,188,359	909,689
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	1,726,747	1,306,618
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Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

The bank overdraft is secured upon all assets of the company and also by a debenture from each of (i) Vine Hotels Limited and (ii) Vine Kenwood Limited over all of their assets and undertakings. There is also a cross guarantee from the following companies in respect of the obligations of Venice Regal Sheffield Limited : Vine Hotels Limited Sheffield Park Hotel Property Limited Sheffield Park Hotel Limited Dolphin Hotel Property Limited Dolphin Hotel (Hampshire) Limited Vine Kenwood Limited Kenwood Hotel Property Limited Cresta Court Hotel Holdings Limited Cresta Court Hotel Property Limited Harrop Hotels Limited In addition, there is an inter-creditor deed between Santander Bank, each obligor above, Greg Dyke, Susan Howes and Garin Davies.

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

	2023	2022
	£	£
Obligations under finance leases and hire purchase contracts	—	250
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Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

#### 14. 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	300	2,998
Later than 1 year and not later than 5 years	—	250
	300	3,248

#### 15. Financial risk management objectives and policies

The exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and income or expenditure of the company.

#### 16. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 20,120 (2022: £ 11,954 ).

#### 17. 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	—	84,022

#### 18. Called up share capital

##### Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £ 1 each	1	1	1	1

#### 19. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

#### 20. Operating leases

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

	2023	2022
	£	£
Not later than 1 year	90,750	275,000
Later than 1 year and not later than 5 years	—	90,750
	90,750	365,750

The operating lease relates to a property rented from Kenwood Hotel Property Limited, the immediate parent company of Venice Regal Sheffield Limited .

**21. Directors' advances, credits and guarantees**

One of the company's directors, Mr G Dyke , has advanced a loan of £1,000,000 to Vine Kenwood Limited, the ultimate parent company. The loan has no fixed repayment terms and attracts interest of 10% per annum. There is a deed of guarantee and indemnity in respect of the loan made between the above director of Vine Kenwood Limited and the following members of the Vine Kenwood group: Kenwood Hotel Property Limited Venice Regal Sheffield Limited The loan is secured by a fixed and floating charge over all assets of the group companies. Interest totalling £108,333 (2022: £100,000) in respect of this loan has been charged to Vine Kenwood Limited during the year.

**22. 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 fellow 100% group companies.

**23. Controlling party**

The entire share capital of the company was acquired in July 2016 by Kenwood Hotel Property Limited, whose parent company is Vine Kenwood Limited. The three companies share the same the same registered address and Vine Kenwood Limited will be preparing consolidated group accounts covering all three companies.

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.