

Registration Number: 09158539

**RW WENTWORTH UK LIMITED**  
Directors' Reports and Financial Statements  
Year Ended 31 December 2020

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**RW Wentworth UK Limited**

**Directors' Report and financial statements for the year ended 31 December 2020**

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**DIRECTORS**

Woraphanit Ruayrungruang

Yi-Chun Lai

**REGISTERED OFFICE**

5 Market Yard Mews, 194-204 Bermondsey Street, London, SE1 3TQ

**COMPANY NUMBER**

09158539

**AUDITORS**

BDO LLP, Statutory Auditor, 55 Baker Street, London, W1U 7EU

## **RW Wentworth UK Limited**

### **Strategic report for the year ended 31 December 2020**

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2020.

#### **Principal Activities**

The principal activity of the Group is the operation of a primarily members only golf and country club. This includes the offering of three championship golf courses, restaurant, hotel accommodation, conference and banqueting facilities, plus a tennis and health club facility.

The directors currently have no plans to materially change the nature of the Group's activities.

#### **Review of the Business**

The consolidated income statement of the Group is set out on page 10 and shows a turnover for the period of 2020: £12.3m (2019: £14.8m)

Adjusted EBITDA (Earnings before Interest, Tax, Depreciation, Amortisation and adjusted for impairment) was gain £1.6m (2019: £0.3m loss) delivering a margin of 13% (2019: -1.8%). Operating loss for the year was £1.7m (2019: loss £3.4m).

The strategy of the business is to sell, by invitation only, a limited number of debentures in order to create the world's premier private golf and country club. Membership is subject to the successful completion of a rigorous admission process of prospective members.

Since the change in ownership at the Company, there has also been a drive to improve the quality of customer service resulting in extra costs and a lower gross profit margin in the short-term.

#### **Key Performance Indicators**

The directors consider Turnover, EBITDA and movements in membership numbers, including debentures, as the Group's key performance indicators.

### **Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006**

#### **Overview**

We report here on how our directors have performed their duty under Section 172 (s.172) of the Companies Act 2006. S.172 sets out a series of matters to which the directors' must have regard in performing their duty to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders. Our Board considers it crucial that the Company maintains a reputation for high standards of business conduct.

For each matter which comes before the Board, the Board considers the likely consequences of any decision in the long-term and identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision making process.

Our key financial decisions made in 2020 were all made in line with our long-term strategy goal of being the World's Premier and Private Golf & Country Club. In 2020 key investments included the refurbishment of the driving range and the outdoor pool project which included upgrading the changing rooms and refurbishing the pool to enhance the member experience. We continue to invest in our golf courses to ensure the standards are maintained and ensuring the life of the asset is extended.

Policies and compliance manuals ensure we are adhering to local corporate governance standards and requirements. This complemented by the Board monitoring our compliance ensures Wentworth Club Ltd promote high standards of business conduct. Our Board is also focussed on the wider social context within which our businesses operate, including those issues related to climate change and the environment.

**RW Wentworth UK Limited**  
**Strategic report for the year ended 31 December 2020 (continued)**

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**Stakeholder Engagement**

**Employees**

The Directors recognise that Wentworth Club Ltd employees are fundamental and core to our business and delivery of our strategic ambitions. Our people's commitment to serving our members is essential for us to deliver on our vision to earn members' trust as the world's premier and private Golf & Country Club. The success of our business depends on recruiting, training, and retaining employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

**Members**

The board understands that what's important to our members is the key to our long-term success. The Board closely monitors customer metrics and engages with the leadership team to understand the issues if our performance does not meet our customers' expectations. The Board receives regular reporting on customer outcomes and customer related strategic initiatives throughout the year. We conducted reviews of the 'customer journey' and our aim is to regularly review and improve to ensure member satisfaction.

**Suppliers**

We operate in conjunction with a wide range of suppliers to deliver services to our customers. It is vital that we build strong working relationships with our intermediaries, including around risk management and customer service. The Board also reviews and approves Wentworth Club Ltd approach to suppliers which includes annual reviews of our suppliers and the terms of the contracts.

**Shareholders**

Our shareholders are the owners of the company. The Board meets with the shareholders monthly which provides an opportunity to engage directly with the Board.

**Future Developments**

The board and management team are regularly reviewing the facilities and member experience to ensure we are offering the experience matching our position. The board intends to continue to invest in assets enhancing the member experience.

**COVID-19**

The COVID-19 outbreak was declared a pandemic by the World Health Organisation in March 2020. Governmental responses in dealing with the pandemic have affected economic activity and the scale and duration of these affects remains uncertain. Whilst the true impact of the pandemic on the economy is yet to be known, governments around the world have stepped in to provide business with different forms of relief measures.

**Impact and Approach**

In line with the Governments lockdown requirements on 23 March 2020, the group closed the facilities of the Club. The Club was fully shut for 2 months. As lockdown eased, the directors were able to reopen the facilities of the Club in line with the government's health and safety requirements and guidelines, including the management of social distancing requirements.

In light of the above and impact on access to the Club including recognizing no income from revenue generating activities, the directors have taken a number of steps to mitigate the impact on Group's activities and future cash flows of the Group. Further, detailed cash flow forecasts covering the next twelve months have been prepared and tested to ensure the cash requirements of the Club and Group can be managed and met.

## **RW Wentworth UK Limited**

### **Strategic report for the year ended 31 December 2020 (continued)**

#### **Impact and Approach (continued)**

While preparing the cash flow forecasts the directors have taken this opportunity to look at cost reductions and savings within all operations. Areas where we have taken action in this respect include the following:

- Delayed payment arrangements with key suppliers.
- Reduced spending & cost control across all areas.
- Reduced services where applicable.
- Property maintenance in order to control utility costs.
- Capital maintenance projects have been reviewed and postponed until future dates apart from projects that had already commenced.

Further, the directors have taken advantage of the Government's Furlough arrangements, under the Coronavirus Job Retention scheme supporting employer payroll costs (extended until September 2021).

In respect of membership subscription income, based on the Club's model, there has been material impact on the revenue from subscriptions in 2020 due to the closure of facilities and the club extending the end of the 2020 membership year from December 2020 to April 2021 or May 2021 depending on category of membership. The club has also offered a credit to members for the disruption arising from the continued disruptions from the pandemic into 2021 in recognition of the club closures, for those not wanting to partake in the credit refunds have been offered as compensation for services not provided. This has resulted in the 2021 subscription year becoming a 9-month year instead of a typical 12-month year resulting in reduced subscriptions.

#### **Going Concern**

The directors consider the going concern basis of preparation of the financial statements to be appropriate and the financial statements have therefore been prepared on that basis.

In arriving at this conclusion, the directors have undertaken stress testing assessments based on forecasted cash flows. As part of the stress testing, a number of significant judgements have been made including assessing cash flows from possible scenarios, both arising from the management of costs noted above, and through assessing the potential of reduced income from both subscriptions and other revenue earning activities of the group.

Based on a 'worst' case scenario with reduced income in excess of 50% over the forthcoming 12 month period, but whilst recognising no reduction in costs, the directors conclude that the Group has sufficient cash to meet liabilities as they fall due.

Further, the directors have considered the cash resources in light of the loss recognised in 2020 and net current liabilities. Based on the pre COVID-19, unstressed cash flow forecasts the directors were confident the business model of the group would provide a breakeven position into 2021, and positive cash based on cash receipts from the Debenture model.

In arriving at the above conclusions, the Directors have taken into account the fact they have obtained guarantees from Reignwood Global Investment Limited ("RGIL") and Reignwood International Investments (Group) Company Limited ("RIIG"), overseas parent entities.

RGIL has guaranteed to continue to provide financial support to the Company for the foreseeable future, if required, in any event for a period of not less than twelve months from the date of approval of these financial statements, further, RGIL has also guaranteed it will not demand repayment of any capital injections or loans advanced to the Company during the 12 month period from the date of approval of these financial statements, to the extent that funds are not otherwise available to the Company.

**RW Wentworth UK Limited**

**Strategic report for the year ended 31 December 2020 (continued)**

**Going concern (continued)**

RIIG has guaranteed to continue to provide financial support to the Company and Wentworth Club Limited ("WCL") for the foreseeable future, if required, in any event for a period of not less than twelve months from the date of approval of these financial statements, further, RIIG has also confirmed it will not demand repayment of any capital injections or loans advanced to the Company and WCL during the 12 month period from the date of approval of these financial statements, to the extent that funds are not otherwise available to the Company.

In addition, RIIG has guaranteed it will provide further funds specifically to WCL as required to ensure it can meet its liabilities as and when they fall due, including any cash shortfalls and working capital needs that may arise during the 12 month period from the date of approval of the financial statements to the extent that funds are not otherwise available to the Company and WCL.

Further, WCL has access to a bank funding facility provided to RIIG for working capital requirements of the Club. Post year end, RIIG had drawn down 43% (2019: 43%) of the working capital facility to pass onto WCL. The facility includes financial covenants based on the figures from RIIG. Given the significant head room, there is low risk these financial covenants will be breached. Final repayment of borrowings from the facility are repayable by the last business day of 2022.

**Principal Risks and Uncertainties**

The business is at a mature stage in its life cycle and the key risks and uncertainties relate to ensuring consistent delivery of the product and services offered.

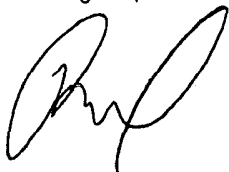
Competition is of course present in the marketplace, but the group believes it offers a superior facility such that the competition does not pose a significant threat.

The Group's credit risk is primarily attributable to its trade receivables and cash balances. Credit risk is managed by requiring up-front payment for membership fees and deposits on events, and by timely and stringent credit control.

The Group monitors its cash flow as part of its day to day control procedures and a re-forecast for the remainder of the financial period is prepared each month to ensure adequate facilities will be available to meet the Group's liabilities as they fall due.

**Approval**

This strategic report was approved on behalf of the Board by:



.....  
**Woraphanit Ruayrungruang**  
Director

Date: 27 September 2021

**RW Wentworth UK Limited**

**Directors' Report for the year ended 31 December 2020**

The directors present their report together with the audited financial statements for the period ended 31 December 2020.

**Results and dividend**

The Group results for the year are shown in the consolidated income statement on page 10. The loss for the period was £5,351,329 (2019: loss £9,139,000). The directors do not recommend the payment of a final dividend.

**Directors and directors' interests**

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

Woraphanit Ruayrungruang  
Yi-Chun Lai

**Directors' Responsibilities**

The directors are responsible for preparing the Group 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 period. 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), including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**RW Wentworth UK Limited**

**Directors' Report for the year ended 31 December 2020 (continued)**

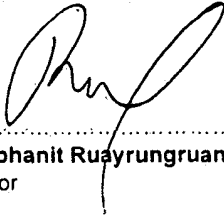
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**Auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

A resolution concerning the re-appointment of BDO LLP will be proposed at the Annual General Meeting.

Approved on Behalf of the Board by:



.....  
**Woraphanit Ruayrungruang**  
Director

Date: 27 September 2021



**RW Wentworth UK Limited**

**Independent Auditor's report to the members of RW Wentworth UK Limited**

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**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of RW Wentworth Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the Consolidated Income Statement, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

**RW Wentworth UK Limited**

**Independent Auditor's report to the members of RW Wentworth UK Limited (continued)**

**Other information (continued)**

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

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

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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

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.

**RW Wentworth UK Limited**

**Independent auditor's report to the members of RW Wentworth UK Limited (continued)**

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

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

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


- We obtained an understanding of the procedures and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error.
- Based on the understanding obtained we designed audit procedures to identify non-compliance with the laws and regulations, as noted above. This included enquiries of local and group Management, review of Board minutes, and reviews of relevant correspondence.
- We tested journal entries, focusing on journal entries containing characteristics of audit interest such as manual journals and journals relating to revenue.
- We tested and challenged the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company.

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

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

**Use of our report**

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

DocuSigned by:  
  
ESB181EED2D4FB  
Simon Fowles (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK  
Date: 27 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC30512)

**RW Wentworth UK Limited**

**Consolidated Income Statement for the year ended 31 December 2020**

		Year ended 31 December 2020	Year ended 31 December 2019
	Note	£000	£000
<b>Group turnover</b>	<b>1</b>	<b>12,279</b>	<b>14,838</b>
Cost of sales		<u>(6,034)</u>	<u>(8,432)</u>
<b>Gross profit</b>		<b>6,245</b>	<b>6,406</b>
Administrative expenses		(9,222)	(9,783)
Government grant income	<b>2</b>	<u>1,244</u>	-
<b>Adjusted EBITDA *</b>		<b>1,602</b>	<b>(262)</b>
Depreciation	<b>10</b>	(3,218)	(2,997)
Amortisation	<b>9</b>	(117)	(118)
<b>Operating loss</b>	<b>3</b>	<b>(1,733)</b>	<b>(3,377)</b>
Interest receivable and similar income	<b>5</b>	14	690
Interest payable and similar expenses	<b>6</b>	<u>(3,632)</u>	<u>(6,452)</u>
<b>Loss on ordinary activities before taxation</b>		<b>(5,351)</b>	<b>(9,139)</b>
<b>Taxation on ordinary activities</b>	<b>8</b>	<u>-</u>	<u>-</u>
<b>Loss on ordinary activities after taxation</b>		<b>(5,351)</b>	<b>(9,139)</b>

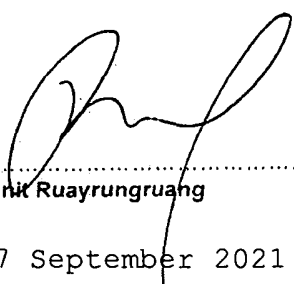
\* Adjusted EBITDA is earnings before Interest, Tax, Depreciation, Amortisation and adjusted for impairment.

All amounts relate entirely to continuing operations in the year. There are no items of other comprehensive income.

**RW Wentworth UK Limited**  
**Consolidated Statement of Financial Position at 31 December 2020**

	Note	2020 £000	2020 £000	2019 £000	2019 £000
<b>Fixed assets</b>					
Intangible assets	9		440		557
Tangible assets	10		<u>150,715</u>		<u>152,381</u>
			151,155		152,938
<b>Current assets</b>					
Inventories	12	350		284	
Receivables					
Due after more than one year	13	8,178		9,120	
Due within one year	13	12,343		13,568	
Cash and cash equivalents		<u>6,496</u>		<u>3,035</u>	
		27,367		26,007	
Payables: amounts falling due within one year	14	<u>(205,293)</u>		<u>(202,179)</u>	
<b>Net current liabilities</b>			<u>(177,926)</u>		<u>(176,172)</u>
<b>Total assets less current liabilities</b>			(26,771)		(23,234)
Payables: amounts falling due after one year	14		(27,538)		(25,725)
<b>Net liabilities</b>			<u>(54,309)</u>		<u>(48,959)</u>
<b>Capital and reserves</b>					
Called up share capital	16		1		1
Accumulated deficit			<u>(54,310)</u>		<u>(48,960)</u>
<b>Shareholders' deficit</b>			<u>(54,309)</u>		<u>(48,959)</u>

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

  
 .....  
**Woraphant Ruayrungruang**  
 Director  
 Date: 27 September 2021

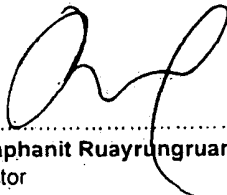
The notes on pages 15 to 28 form part of these financial statements.

**RW Wentworth UK Limited**  
**Company Statement of Financial Position at 31 December 2020**

Company number: 09158539		2020	2020	2019	2019
	Note	£000	£000	£000	£000
<b>Fixed assets</b>					
Investments	11		8,063		8,063
<b>Current assets</b>					
Receivables	13	169,541		169,680	
Cash and cash equivalents		<u>66</u>		<u>21</u>	
		169,607		169,701	
Payables: amounts falling due within one year	14	<u>(183,160)</u>		<u>(182,056)</u>	
<b>Net current liabilities</b>			<u>(13,553)</u>		<u>(12,355)</u>
<b>Total assets less current liabilities</b>			(5,490)		(4,292)
Payables: amounts falling due after one year	14		-		-
<b>Net liabilities</b>			<u>(5,490)</u>		<u>(4,292)</u>
<b>Capital and reserves</b>					
Called up share capital	16		1		1
Accumulated deficit			<u>(5,491)</u>		<u>(4,293)</u>
<b>Shareholders' deficit</b>			<u>(5,490)</u>		<u>(4,292)</u>

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income Statement as explained in note 1(b). Loss for the year was £1,198,424 (2019: loss £1,839,000)

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



.....  
**Woraphanit Ruayrungruang**  
 Director

Date: 27 September 2021

The notes on pages 15 to 28 form part of these financial statements.

**RW Wentworth UK Limited**

**Consolidated Statement of Changes in Equity for the year ended 31 December 2020**

	Share capital £000	Accumulated deficit £000
Balance at 1 January 2019	1	(39,821)
Total comprehensive loss for the year	-	(9,139)
<b>Balance at 31 December 2019</b>	<b>1</b>	<b>(48,960)</b>
Total comprehensive loss for the year	-	(5,351)
<b>Balance at 31 December 2020</b>	<b>1</b>	<b>(54,311)</b>

**Company Statement of Changes in Equity for the year ended 31 December 2020**

	Share capital £000	Accumulated deficit £000
Balance at 1 January 2019	1	(4,385)
Total comprehensive loss for the year	-	92
<b>Balance at 31 December 2019</b>	<b>1</b>	<b>(4,293)</b>
Total comprehensive loss for the year	-	(1,198)
<b>Balance at 31 December 2020</b>	<b>1</b>	<b>(5,491)</b>

**RW Wentworth UK Limited**

**Consolidated Statement of Cash Flows for the year ended 31 December 2020**

	Note	31 Dec 2020 £000	31 Dec 2020 £000	31 Dec 2019 £000	31 Dec 2019 £000
<b>Cash flows from operating activities</b>					
Operating loss		(1,733)		(3,377)	
Adjustments for:					
Depreciation of tangible assets	10	3,218		2,977	
Amortisation of intangible assets	9	117		118	
(Profit)/loss on disposal of tangible fixed assets	10	(74)		28	
Interest paid		968			
Interest received		(14)			
Changes in:					
(Increase) / Decrease in inventories		(66)		103	
Decrease in trade and other debtors		1,798		3,460	
Increase / (Decrease) in trade and other creditors		329		(9,348)	
<b>Net cash generated from/(used in) operating activities</b>			4,543		(6,019)
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	10	(1,584)		(1,174)	
Sale of tangible fixed assets		106		-	
Interest received		14		-	
<b>Net cash used in investing activities</b>			(1,464)		(1,174)
<b>Cash flow from financing activities</b>					
Proceeds from debenture loans			382		-
<b>Net cash used in financing activities</b>			382		-
<b>Net Increase / (Decrease) in cash and cash equivalents</b>			3,461		(7,193)
<b>Cash and cash equivalents at the beginning of the year</b>			3,035		10,228
<b>Cash and cash equivalents at the end of the year</b>			6,496		3,035



**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020**

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**1. Accounting Policies**

**Statement of Compliance**

The Company is a United Kingdom private company limited by shares. It is both incorporated and domiciled in England and Wales. The address of its registered office is 5 Market Yard Mews, 194-204 Bermondsey Street, London, United Kingdom, SE1 3TQ and principal place of business is Wentworth Drive, Virginia Water, London GU25 4LS.

The consolidated financial statements are for the year ended 31 December 2020.

**Summary of significant accounting policies**

**Basis of Consolidation**

The consolidated financial statements incorporate the results of RW Wentworth UK Limited and all of its subsidiary undertakings as at 31 December 2020 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

The consolidated financial statements have been prepared under the historical cost convention and in accordance with FRS 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

**Going Concern**

The directors consider the going concern basis of preparation of the financial statements to be appropriate and the financial statements have therefore been prepared on that basis.

In arriving at this conclusion, the directors have undertaken stress testing assessments based on forecasted cash flows. As part of the stress testing, a number of significant judgements have been made including assessing cash flows from possible scenarios, both arising from the management of costs noted above, and through assessing the potential of reduced income from both subscriptions and other revenue earning activities of the group.

Based on a 'worst' case scenario with reduced income in excess of 50% over the forthcoming 12 month period, but whilst recognising no reduction in costs, the directors conclude that the Group has sufficient cash to meet liabilities as they fall due.

Further, the directors have considered the cash resources in light of the loss recognised in 2020 and net current liabilities. Based on the pre COVID-19, unstressed cash flow forecasts the directors were confident the business model of the group would provide a breakeven position into 2021, and positive cash based on cash receipts from the Debenture model.

In arriving at the above conclusions, the Directors have taken into account the fact they have obtained guarantees from Reignwood Global Investment Limited ("RGIL") and Reignwood International Investments (Group) Company Limited ("RIIG"), overseas parent entities.

RGIL has guaranteed to continue to provide financial support to the Company for the foreseeable future, if required, in any event for a period of not less than twelve months from the date of approval of these financial statements, further, RGIL has also guaranteed it will not demand repayment of any capital injections or loans advanced to the Company during the 12 month period from the date of approval of these financial statements, to the extent that funds are not otherwise available to the Company.

RIIG has guaranteed to continue to provide financial support to the Company and Wentworth Club Limited ("WCL") for the foreseeable future, if required, in any event for a period of not less than twelve months from the date of approval of these financial statements, further, RIIG has also confirmed it will not demand repayment of any capital injections or loans advanced to the Company and WCL during the 12 month period from the date of approval of these financial statements, to the extent that funds are not otherwise available to the Company.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**Going Concern (continued)**

In addition, RIIG has guaranteed it will provide further funds specifically to WCL as required to ensure it can meet its liabilities as and when they fall due, including any cash shortfalls and working capital needs that may arise during the 12 month period from the date of approval of the financial statements to the extent that funds are not otherwise available to the Company and WCL.

Further, WCL has access to a bank funding facility provided to RIIG for working capital requirements of the Club. Post year end, RIIG had drawn down 43% (2019: 43%) of the working capital facility to pass onto WCL. The facility includes financial covenants based on the figures from RIIG. Given the significant head room, there is low risk these financial covenants will be breached. Final repayment of borrowings from the facility are repayable by the last business day of 2022.

The financial statements do not include any adjustments that would result if the going concern basis of preparation were to become no longer appropriate. (also see strategic report)

**Turnover**

Turnover represents members' club subscriptions receivable and other golfing and ancillary income receivable from members and visitors, which is recognised on provision of services. Following the end of the Initial Period, 31 December 2019, fees associated with purchasing a debenture are recognised when a debenture contract has been entered into. Deferred revenue relating to discounted debentures is released to the income statement over the term of the debenture.

**Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**Goodwill**

Goodwill arising on acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the Statement of Comprehensive Income over the directors' estimate of its useful economic life, which is 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

**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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is provided on the following basis:

Land and buildings - 50 years

Golf course improvements - 5-50 years

Fixtures and fittings, and Plant and machinery - 3-20 years

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

***Tangible fixed assets (continued)***

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**Impairment of Non-Financial Assets**

At each reporting date, the Group reviews the carrying amounts of its tangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Financial Assets and Liabilities**

***General***

Financial instruments are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price including transaction costs unless the arrangement constitutes a financing transaction. Subsequent to initial recognition, they are measured as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

***Classification***

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

***Subsequent measurement***

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method.

Investments in preference and ordinary shares classified as basic financial instruments, and all financial instruments not classified as basic are measured at fair value at the end of the reporting period, with the resulting changes recognised in profit or loss. Where their fair value cannot be reliably measured, they are recognised at cost less impairment.

***Derecognition***

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**Financial Assets and Liabilities (continued)**

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

**Impairment of Financial Assets**

*Assets carried at cost or amortised cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

1. Significant financial difficulty of the issuer or obligor
2. A breach of contract, such as a default or delinquency in interest or principal payments
3. The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
4. It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

As an initial step the Group assesses whether objective evidence of impairment exists.

The amount of the loss is measured, in the case of assets measured at amortised cost, as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced to the present value of estimate future cash flows and the amount of the loss is recognised in the profit and loss account. Where the investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

In the case of financial assets measured at cost, the impairment loss will be the difference between the asset's carrying amount and the best estimate of the sales price that would be achieved at the reporting date.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

**Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is the actual purchase cost including, where appropriate, inwards carriage and excise duty. Selling price is the price at which the inventories can be realised in the normal course of business. Provision is made for slow moving inventory.

**Trade Receivables**

Trade receivables are amounts due for subscriptions, merchandise sold or services performed in the ordinary course of business. Trade receivables are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

**Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as payables falling due within one year if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as payables falling due after one year.

Trade payables are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

**Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares in relation to ordinary shares are shown in equity as a deduction, net of taxation, from the proceeds.

**Leases**

Rentals payable under operating leases are charged to the income statement within 'operating profit or loss' on a straight-line basis over the term of the relevant lease.

**Debentures**

Debentures issued are considered both a financing and trading transaction. The financing transaction element is recognised as a liability measured at the present value of future payments discounted at the market rate of interest for a similar debt instrument. The trading transaction element is recognized as a liability and released to the income statement over the life of the debenture on a straight line basis. The debentures have a trading element due to the benefits given to debenture holders over the life of the debenture.

Where debentures are sold at a price below nominal value, the deficit is written off to interest over the period to when the debentures may be redeemed.

Where debentures are issued for deferred consideration, the deferred element is included in receivables at the present value of future receipts discounted at a market rate of interest.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**Taxation**

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the period adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the same component of the profit and loss account, other comprehensive income or equity as the transaction or event that resulted in the tax expense or income.

Deferred tax is the tax expected to be payable or recoverable on timing differences between taxable profits and the total comprehensive income as reported in the financial statements.

Deferred tax liabilities are recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits will be available against which timing differences can be utilised. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor the total comprehensive income.

Deferred tax liabilities are recognised for timing differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted, or substantively enacted by the reporting date, and are expected to apply in the period when the liability is settled, or the asset realised.

A change in deferred tax assets and liabilities as a result of a change in the tax rates or laws is recognised in the profit and loss account, or other comprehensive income to the extent that it relates to items previously recognised in other comprehensive income.

**Employee Benefits**

The Group makes payments to defined contribution pension schemes on behalf of all eligible employees. Payments made to the schemes are at an agreed level for each member and are charged against profits as incurred in the accounting period.

**Foreign Currency Translation**

The Group has determined that Pounds Sterling is its functional currency, as this is the currency of the economic environment in which the Group primarily operates.

Transactions in currencies other than Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date with any exchange difference recognised in profit or loss.

**Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**Judgements in applying accounting policies and key sources of estimation uncertainty (continued)**

The following are the key judgments that management have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

**a) Estimated impairment of tangible fixed assets**

The Company is required to review its freehold property for impairment if events or changes in circumstance indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is determined based on value in use calculations or the fair value (market value), which are prepared on the basis of management's assumption and estimates.

**b) Depreciation**

Depreciation is provided so as to write down the property and other fixed assets to their residual value over their estimated useful life. The selection of this residual value and estimated life requires the exercise of management's judgment.

**c) Discounting of Debenture**

As noted previously, debentures are discounted over the life of the debenture. The discount rate applied is 3.75% which is considered to be the market rate of interest for a similar debt instrument over a similar time frame.

**Financial Risk Management**

The Group has exposure to two main areas of risk - liquidity risk and customer credit exposure.

**Liquidity risk**

The objective of the Group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Group has credit facilities available.

**Customer credit exposure**

The Group may offer credit terms to its members or customers which allow payment of the debt after delivery of the goods or services. The Group is at risk to the extent that a member or customer may be unable to pay the debt on the specified due date. This risk is managed and mitigated by requiring up-front payment for membership fees and deposits on events, and by timely and stringent credit control.

**2. Other operating income**

	2020 £000	2019 £000
Government grant income	1,244	-

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**3. Operating loss**

	2020 £000	2019 £000
Operating loss is stated after charging:		
Auditors' remuneration		
- for the audit of the company and group financial statements	13	8
- audit of subsidiaries	57	49
- taxation compliance fees	41	27
Hire of other assets - operating leases	227	235
Amortisation of intangible assets	117	118
Depreciation of tangible assets	3,218	2,997
Foreign exchange (gains) / losses	<u>(1,569)</u>	<u>(1,925)</u>

**4. Employees**

	2020 £000	2019 £000
<u>Group staff costs consist of:</u>		
Wages and salaries	5,888	7,442
Social security costs	499	661
Other pension costs	<u>173</u>	<u>293</u>
	<u>6,560</u>	<u>8,396</u>

The average monthly number of employees, including directors and part time employees, during the year was:

	Number	Number
Administration	39	49
Operations	<u>168</u>	<u>208</u>
	<u>207</u>	<u>257</u>

The Company had no employment costs in the current or preceding period.

The directors are considered to be the key management. No remuneration is payable in either the current or prior period.

**5. Interest receivable and similar income**

	2020 £000	2019 £000
Notional interest on debenture receivables	-	690
Bank interest receivable	<u>14</u>	<u>-</u>
	<u>14</u>	<u>690</u>



**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

<b>6. Interest payable and similar expenses</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Interest payable on group company loans	3,313	4,325
Notional interest on debenture liability	319	690
Interest payable for bank loan	-	1,437
	<b>3,632</b>	<b>6,452</b>

**7. Loss for the financial year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements.

**8. Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>(a) Tax charge for the year</b>		
Current tax		
UK corporation tax - current period	-	-
UK corporation tax - prior period	-	-
Total current tax charge	-	-
Deferred tax		
Origination and reversal of temporary differences (note 15)	-	-
Adjustment relating to prior years	-	-
Total deferred tax charge / (credit)	-	-
Total tax charge / credit	-	-
<b>(b) Reconciliation of current period corporation tax charge:</b>		
Loss on ordinary activities before taxation	(5,351)	(9,139)
Current effective tax at 19% (2018: 19%)	(1,017)	(1,736)
Effects of:		
Expenses not deductible for tax	84	850
Fixed asset differences	273	(23)
Difference in tax rates	(484)	130
Transfer pricing adjustment	43	(333)
Deferred tax not recognised	1,101	1,112
Total current tax	-	-

The Group has tax losses and other differences totalling £16,007,712 (2019 - £14,114,228) resulting in £3,041,465 (2019 - £2,399,419) available to offset future profits. A deferred tax asset has not been recognised due to the uncertainty of the timing of expected future profits.

On 3 March 2021, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023, which was enacted in May 2021. The deferred tax balance mentioned included in these financial statements has been calculated with reference to the rate of 19%, being the prevailing rate as at 31 December 2020.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**9. Intangible fixed assets**

	Trademarks £000	Goodwill £000	Total £000
<b>Group</b>			
<u>Cost or valuation</u>			
At 1 January 2020	57	1,122	1,179
Additions	-	-	-
At 31 December 2020	<u>57</u>	<u>1,122</u>	<u>1,179</u>
<u>Amortisation</u>			
At 1 January 2020	33	589	622
Charge for the year	5	112	117
At 31 December 2020	<u>38</u>	<u>701</u>	<u>739</u>
<u>Net book value</u>			
At 31 December 2020	<u>19</u>	<u>421</u>	<u>440</u>
At 31 December 2019	<u>24</u>	<u>533</u>	<u>557</u>

**10. Tangible fixed assets**

	Assets in the course of construction £000	Land and Buildings and golf course development £000	Fixtures and Fittings, and Plant and Machinery £000	Total £000
<b>Group</b>				
<u>Cost or Valuation</u>				
At 1 January 2020	583	153,726	8,902	163,211
Additions	1,578	1	5	1,584
Disposals	(32)	-	(372)	(404)
Transfers	(1,698)	950	748	-
At 31 December 2020	<u>431</u>	<u>154,677</u>	<u>9,283</u>	<u>164,391</u>
<u>Depreciation</u>				
At 1 January 2020	-	6,493	4,337	10,830
Charge for year	-	1,926	1,292	3,218
Disposals	-	-	(372)	(372)
At 31 December 2020	<u>-</u>	<u>8,419</u>	<u>5,257</u>	<u>13,676</u>
<u>Net book value</u>				
At 31 December 2020	<u>431</u>	<u>146,258</u>	<u>4,026</u>	<u>150,715</u>
At 31 December 2019	<u>584</u>	<u>147,233</u>	<u>4,564</u>	<u>152,381</u>

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**11. Fixed asset investments**

<b>Company</b>	<b>Shares in subsidiary undertakings £000</b>
<u>Cost</u>	
At 1 January 2020 and at 31 December 2020	<u><u>8,063</u></u>

The subsidiaries of the Company below, are all incorporated in England and Wales, except WG Acquisition Limited which is incorporated in Jersey, Channel Islands:

<b>Company</b>	<b>Registered office</b>	<b>Proportion of voting rights and ordinary share capital held</b>	<b>Class of shares</b>	<b>Principal Activity</b>
WG Acquisition Limited	44 Esplanade, St Helier, Jersey, Channel Islands, JE4 9WG	100%	Ordinary	Holding company
WGA (UK) Holdings Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Holding company
Chelsfield Participations Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Wentworth Group Holdings Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Holding company
Sir Lindsay Parkinson & Co Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Lindgray (Wentworth) Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Wentworth Estates Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Wentworth Club Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Golf and country club
Wentworth Golf and Country Club Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Settlehope Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
Wentworth Management Services Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Dormant company
WGA Sales Limited*	31 Hill Street, London, W1J 5LS	100%	Ordinary	Holding of land and property

\* denotes indirect holding

The shares in WG Acquisition Limited have been pledged to the Siam Commercial Bank Plc as security against a loan facility held by a fellow group company of U.S.\$25 million and GBP £19 million.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**12. Inventories**

	<b>Group</b> <b>31 December</b>	<b>Group</b> <b>31</b> <b>December</b>	<b>Company</b> <b>31</b> <b>December</b>	<b>Company</b> <b>31</b> <b>December</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Goods for resale	<u>350</u>	<u>284</u>	<u>-</u>	<u>-</u>

**13. Receivables**

	<b>Group</b> <b>31 December</b>	<b>Group</b> <b>31 December</b>	<b>Company</b> <b>31 December</b>	<b>Company</b> <b>31 December</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Due within one year:</b>				
Trade receivables	1,075	213	-	-
Amounts due from subsidiary undertakings	-	-	167,911	168,010
Amounts due from companies under common control	4,743	4,754	1,630	1,670
Prepayments and accrued income	736	-	-	-
Other receivables	354	1,701	-	-
Debenture receivables	<u>5,435</u>	<u>6,900</u>	<u>-</u>	<u>-</u>
	<u>12,343</u>	<u>13,568</u>	<u>169,541</u>	<u>169,680</u>
<b>Due after one year:</b>				
Debenture receivables	<u>8,178</u>	<u>14,215</u>	<u>-</u>	<u>-</u>

The following amounts are due to the Company from its subsidiary undertakings:

	<b>Group</b> <b>2020</b>	<b>Group</b> <b>2019</b>	<b>Company</b> <b>2020</b>	<b>Company</b> <b>2019</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
WG Acquisition Limited	-	-	36,586	36,561
WGA (UK) Holdings Limited	-	-	111,252	111,233
Wentworth Group Holdings Limited	-	-	16	9
Wentworth Club Limited	<u>-</u>	<u>-</u>	<u>20,057</u>	<u>20,207</u>
	<u>-</u>	<u>-</u>	<u>167,911</u>	<u>168,010</u>

RW Wentworth UK Limited granted a loan of £36,650,000 to WG Acquisitions Limited on 26 Sep 2014. The loan is unsecured, interest free and repayable on demand. Repayment of the loan is not expected in the foreseeable future.

RW Wentworth UK Limited granted a loan of £91,172,000 to WGA (UK) Holdings Limited on 26 Sep 2014. The loan is unsecured, repayable on demand and with 3-month USD LIBOR + 3.5% for the first year and LIBOR + 4% thereafter. The balance is accrued interest. From September 2019, no interest is being charged. Repayment of the loan is not expected in the foreseeable future.

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**14. Payables**

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
<b>Amounts falling due within one year:</b>				
Trade payables	479	968	4	-
Amounts due to related parties	198,623	198,535	183,136	182,042
Other payables	407	168	-	-
Other taxation and social security	1,399	185	-	-
Accruals	935	798	20	14
Deferred income	3,272	1,525	-	-
Debt liability	178	-	-	-
	<u>205,293</u>	<u>202,179</u>	<u>183,160</u>	<u>182,056</u>
<b>Amounts falling due after more than one year:</b>		As restated		
	2020 £000	2019 £000	2020 £000	2019 £000
Accruals and deferred income	22,938	21,790	-	-
Debt liability	4,600	3,935	-	-
	<u>27,538</u>	<u>25,725</u>	<u>-</u>	<u>-</u>

The debt liability represents the present value of the debt issued to members of Wentworth Golf Club.

The comparative has been reclassified to show the element of the debt liability relating to deferred revenue. As noted in the debt accounting policy note, given debt holders are entitled to receive certain benefits from being debt holders, the amount of discounted debt liability, is considered to be a trading revenue, released to the income statement over the life of the debt. This reclassification is required to reflect the position, as at 31 December 2019, whereby the date debt holders could redeem debt early had passed.

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
<b>Amounts due to related parties for the Company and Group:</b>				
Due to parent company	60	60	51	51
Due to subsidiaries	-	-	-	-
Due to fellow group companies	-	-	-	-
Reignwood Global Investment Limited	144,599	144,599	144,599	144,599
Reignwood Europe Holdings Sarl	6	6	3	3
Reignwood International Investments (Group) Company Limited	52,519	51,763	38,483	37,389
Wentworth Robinswood Limited	1,439	2,107	-	-
	<u>198,623</u>	<u>198,535</u>	<u>183,136</u>	<u>182,042</u>

Reignwood Global Investment Limited, a fellow group company, granted two loans to RW Wentworth UK Limited in September 2014. The first loan of £40,092,000 is unsecured, interest free and repayable on demand. The second loan of £94,858,000 is unsecured, repayable on demand and from September 2019 is interest free, previously charged at 4.5%.

Reignwood Global Investment Limited has agreed not to seek repayment of the loans due to them until the resources of the Company allow.

**RW Wentworth UK Limited****Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****Payables (continued)**

At the balance sheet date £12.3m (2019 - £13.1m) payable to Reignwood International Investment (Group) Co Ltd is included within "Amount owed to related undertakings" and carries a 5.6% equivalent interest rate in 2020. The Group has granted charge over the assets of the Group to Siam Commercial Bank in respect of a loan granted to a fellow group company.

The Company entered into an agreement on 1 December 2019 with Reignwood International Investment (Group) Company Limited for a loan facility of \$48.84m carrying interest of 7% p.a. and repayable on demand.

**15. Pension commitments**

Throughout the period, the Group operated two defined contribution pension schemes with an agreed level of contributions for each member expressed as a percentage of salary. The assets of both schemes are held separately from those of the Group. The pension cost charge for the period represents contributions payable by the Group to individual defined contributions pension schemes and amounted to £173,000 (2019: £293,000). Contributions amounting to £51,000 (2019: £36,000) were payable to pension plans at the year end and are included in creditors.

**16. Share capital**

	31 December 2020 £000	31 December 2019 £000
Authorised, Allotted, Called up & fully paid 1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

**17. Commitments under operating leases**

The group had commitments under non-cancellable operating leases as at the reporting date. as follows:

	Group 31 December 2020 £000	Group 31 December 2019 £000	Company 31 December 2020 £000	Company 31 December 2019 £000
Not later than 1 year	349	381	-	-
Later than 1 year and not later than 5 years	842	1,122	-	-
	<u>1,191</u>	<u>1,503</u>	<u>-</u>	<u>-</u>

**RW Wentworth UK Limited**

**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

**18. Consolidated analysis of net debt**

	At 1 January 2020 £000	Cash flows £000	Other non-cash changes £000	At 31 December 2020 £000
Cash at bank and in hand	3,035	3,461	-	6,496
Debt due after 1 year	(3,935)	-	(665)	(4,600)
Debt due within 1 year	(198,535)	-	(266)	(198,801)
	<u>(199,435)</u>	<u>3,461</u>	<u>(931)</u>	<u>(196,905)</u>

**19. Related party transactions and controlling parties**

The immediate holding company is RW Wentworth Sarl, incorporated in Luxembourg, and the ultimate holding company is Reignwood International Holdings Company Limited, incorporated in the British Virgin Islands. The ultimate controlling party of the Company is Dr Chanchai Ruayrungruang.

The Company and Group had the following related party transactions in the period:

	Group 31 December 2020	Group 31 December 2019	Company 31 December 2020	Company 31 December 2019
Reignwood Global Investment Limited:				
Interest payable	-	3,181	-	3,181
Reignwood International Investment Group Company Limited:				
Interest Payable	3,313	193	2,664	-
WGA (UK) Limited:				
Interest receivable	-	-	-	3,057