Registered number: 03163780

CAVE HOTELS UK LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2023

COMPANY INFORMATION

Directors	James Nettlam Tory David Johnathan Callister
Registered number	03163780
Registered office	The Estate Office Etchinghill Golf Etchinghill Folkestone Kent CT18 8FA
Trading Address	Brickfield Lane Boughton-under-Blean Faversham Kent ME13 9AJ
Independent auditors	Pure Audit Limited Chartered Certified Accountants 76 Canterbury Innovation Centre Canterbury Kent CT2 7FG
Bankers	Natwest Bank Plc Europa House 49 Sandgate Road Folkestone Kent CT20 1RU

CAVE HOTELS UK LTD

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GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MAY 2023

Introduction

The directors present their strategic report and the financial statements for the year ended 31 May 2023.

Business review

The directors are pleased to report another successful financial year for the Group. The Group successfully managed to sustain profitability, despite continued economic uncertainty, producing an EBITDA of £1,135,232 and a profit before tax of £212,366 for the year.

The successful performance comes despite continued uncertainty and the investment in two new restaurants, impacting demand and also leading to increased costs throughout the financial year.

The Group ensures that it complies fully with all Health and Safety, and other legislation and ensures

procedures are updated accordingly.

Principal risks and uncertainties

The business has continued to operate successfully and benefit from its investment in the hotel infrastructure

and new systems with hotel room bookings being particularly successful.

There are risks and uncertainties around the current economic climate and cost of living crisis in the UK and it is unclear how this will impact consumer spending behaviours and patterns.

Financial key performance indicators

EBITDA:

EBITDA for the year was £1,135,232 which is a decrease of 47% on the previous year (£2,154,969).

Investing in staff:

The total number of employees increased in the year by 23% from 132 to 162. This was in response to the

demand of hotel bookings and golf tee-time bookings when the Group was able to reopen in between the

national lockdowns.

This report was approved by the board on 23 February 2024 and signed on its behalf.

David Johnathan Callister
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MAY 2023

The directors present their report and the financial statements for the period ended 31 May 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the period, after taxation, amounted to £505,127 *(2022 - £1,671,703)*.

The directors do not recommend a dividend.

Directors

The directors who served during the period were:

James Nettlam Tory
David Johnathan Callister

Future developments

The Group continues to implement and utilise new internal systems and as a result is expecting high capacity utilisation of the business in the next 12 months.

The Group has expanded the Food and Beverage side of the business by opening two new sites within the year. The Group is looking to consolodate these sites and increase their respective revenues and profits.

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Pure Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23 February 2024 and signed on its behalf.

....
David Johnathan Callister
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAVE HOTELS UK LTD

Opinion

We have audited the financial statements of CAVE HOTELS UK LTD (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 May 2023, which comprise the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Company statement of financial position, the Consolidated statement of cash flows, the Consolidated statement of changes in equity, the Company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 May 2023 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAVE HOTELS UK LTD (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 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 statement set out on page 2, 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group 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:

Extent the audit was considered capable of detecting irregularities, including fraud:

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.

Identifying and assessing potential risks related to irregularities:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

The nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets; results of our enquiries of management about their own identification and assessment of the risks of irregularities and any matters we identified having reviewed the Company's policies and procedures; the matters discussed among the audit engagement team regarding 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 and focused on 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 Companies Act 2006 and local tax legislation.

Audit response to risks identified

As a result of performing the above, we identified revenue recognition as key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- obtaining an understanding of provisions and discussing with management to understand the basis of recognition or non-recognition of tax provisions; and in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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 noncompliance with laws and regulations throughout the audit.

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

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

Use of our report

This report is made solely to the Group'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 Group's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members, as a body, for our audit work, for this report, or for the opinions we have formed.

R M Asif Rafique (Senior statutory auditor)

for and on behalf of
Pure Audit Limited

Chartered Certified Accountants

76 Canterbury Innovation Centre
Canterbury
Kent
CT2 7FG

23 February 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MAY 2023

	Note	2023 £	*2022 £*
Turnover	4	**12,014,174**	*8,950,507*
Cost of sales		**(6,231,611)**	*(4,523,326)*
Gross profit		**5,782,563**	*4,427,181*
Administrative expenses		**(5,309,855)**	*(2,795,512)*
Other operating income	5	**16,818**	*155,328*
Other operating charges		**(44,854)**	*(39,260)*
Operating profit	6	**444,672**	*1,747,737*
Interest payable and similar expenses	9	**(232,306)**	*(76,034)*
Profit before taxation		**212,366**	*1,671,703*
Tax on profit		**292,761**	*-*
Profit for the financial period		**505,127**	*1,671,703*
Total comprehensive income for the period		**505,127**	*1,671,703*
Profit for the period attributable to:			
Owners of the parent Company		**505,127**	*1,671,703*
		505,127	*1,671,703*
Total comprehensive income for the period attributable to:			
Owners of the parent Company		**505,127**	*1,671,703*
		505,127	*1,671,703*

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2023

	Note		31 May 2023 £		*31 March 2022 £*
Fixed assets					
Intangible assets	11		**23,292**		*36,421*
Tangible assets	12		**12,003,517**		*9,139,263*
			12,026,809		*9,175,684*
Current assets					
Stocks	13	**103,281**		*90,118*	
Debtors: amounts falling due within one year	14	**809,847**		*478,938*	
Cash at bank and in hand	15	**226,788**		*1,074,607*	
		1,139,916		*1,643,663*	
Creditors: amounts falling due within one year	16	**(6,165,406)**		*(3,974,409)*	
Net current liabilities			**(5,025,490)**		*(2,330,746)*
Total assets less current liabilities			**7,001,319**		*6,844,938*
Creditors: amounts falling due after more than one year	17		**(7,805,264)**		*(8,154,010)*
Provisions for liabilities					
Net assets excluding pension asset			**(803,945)**		*(1,309,072)*
Net liabilities			**(803,945)**		*(1,309,072)*
Capital and reserves					
Called up share capital	21		**100**		*100*
Profit and loss account	22		**(804,045)**		*(1,309,172)*
Equity attributable to owners of the parent Company			**(803,945)**		*(1,309,072)*
			(803,945)		*(1,309,072)*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2023

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 February 2024.

David Johnathan Callister
Director

The notes on pages 21 to 45 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2023

	Note		31 May 2023 £		31 March 2022 £
Fixed assets					
Intangible assets	11		**22,447**		*36,421*
Tangible assets	12		**10,059,742**		*9,139,263*
Investments			**200**		*-*
			10,082,389		*9,175,684*
Current assets					
Stocks		**95,307**		*90,118*	
Debtors: amounts falling due after more than one year	14	**2,571,041**		*-*	
Debtors: amounts falling due within one year	14	**571,445**		*478,938*	
Cash at bank and in hand	15	**130,167**		*1,074,607*	
		3,367,960		*1,643,663*	
Creditors: Amounts Falling Due Within One Year		**(5,870,852)**		*(3,974,409)*	
Net current liabilities			**(2,502,892)**		*(2,330,746)*
Total assets less current liabilities			**7,579,497**		*6,844,938*
Creditors: amounts falling due after more than one year	17		**(7,805,264)**		*(8,154,010)*
Net assets excluding pension asset			**(225,767)**		*(1,309,072)*
Net liabilities			**(225,767)**		*(1,309,072)*
Capital and reserves					
Called up share capital	21		**100**		*100*
Profit and loss account brought forward		**(1,309,172)**		*(2,980,875)*	
Profit for the period		**1,083,305**		*1,671,703*	
Profit and loss account carried forward	22		**(225,867)**		*(1,309,172)*
			(225,767)		*(1,309,072)*

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2023

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 February 2024.

David Johnathan Callister
Director

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2023

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 April 2022	100	(1,309,172)	(1,309,072)	(1,309,072)
Comprehensive income for the period				
Profit for the period	-	505,127	505,127	505,127
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	505,127	505,127	505,127
Total transactions with owners	-	-	-	-
At 31 May 2023	100	(804,045)	(803,945)	(803,945)

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 April 2021	100	(2,980,875)	(2,980,775)	(2,980,775)
Comprehensive income for the year				
Profit for the year	-	1,671,703	1,671,703	1,671,703
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	1,671,703	1,671,703	1,671,703
Total transactions with owners	-	-	-	-
At 31 March 2022	100	(1,309,172)	(1,309,072)	(1,309,072)

The notes on pages 21 to 45 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	100	(1,309,172)	(1,309,072)
Comprehensive income for the year			
Profit for the period	-	1,083,305	1,083,305
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	1,083,305	1,083,305
Total transactions with owners	-	-	-
At 31 May 2023	100	(225,867)	(225,767)

The notes on pages 21 to 45 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2021	100	(2,980,875)	(2,980,775)
Comprehensive income for the year			
Profit for the year	-	1,671,703	1,671,703
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,671,703	1,671,703
Total transactions with owners	-	-	-
At 31 March 2022	100	(1,309,172)	(1,309,072)

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MAY 2023

	31 May 2023 £	*31 March 2022 £*
Cash flows from operating activities		
Profit for the financial period	**505,127**	*1,671,703*
Adjustments for:		
Amortisation of intangible assets	**13,974**	*7,716*
Depreciation of tangible assets	**676,586**	*399,516*
Government grants	**-**	*(90,688)*
Interest paid	**232,306**	*76,034*
Taxation charge	**(292,761)**	*-*
(Increase) in stocks	**(13,163)**	*(47,462)*
(Increase) in debtors	**(38,148)**	*(174,949)*
Increase in creditors	**187,032**	*905,091*
Increase in amounts owed to participating ints	**200,000**	*-*
Net cash generated from operating activities	**1,470,953**	*2,746,961*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(1,013)**	*(5,500)*
Purchase of tangible fixed assets	**(3,540,672)**	*(754,810)*
Government grants received	**-**	*90,688*
HP interest paid	**(2,097)**	*(1,129)*
Net cash from investing activities	**(3,543,782)**	*(670,751)*
Cash flows from financing activities		
New secured loans	**783,507**	*-*
Repayment of loans	**-**	*(197,898)*
Repayment of/new finance leases	**26,716**	*(4,243)*
Interest paid	**(230,209)**	*(74,905)*
Net cash used in financing activities	**580,014**	*(277,046)*
Net (decrease)/increase in cash and cash equivalents	**(1,492,815)**	*1,799,164*
Cash and cash equivalents at beginning of period	**1,074,607**	*(724,557)*
Cash and cash equivalents at the end of period	**(418,208)**	*1,074,607*
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	**226,788**	*1,074,607*
Bank overdrafts	**(644,996)**	*-*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 31 MAY 2023

	31 May 2023	*31 March 2022*
	£	*£*
	(418,208)	*1,074,607*

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 31 MAY 2023

	At 1 April 2022	Cash flows	New finance leases	At 31 May 2023
	£	£	£	£
Cash at bank and in hand	1,074,607	(847,819)	-	226,788
Bank overdrafts	-	(644,996)	-	(644,996)
Debt due after 1 year	(3,202,103)	(675,581)	-	(3,877,684)
Debt due within 1 year	(100,000)	(107,926)	-	(207,926)
Finance leases	(18,717)	-	(26,716)	(45,433)
	(2,246,213)	(2,276,322)	(26,716)	(4,549,251)

The notes on pages 21 to 45 form part of these financial statements.

1. General information

Cave Hotels UK Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 03163780. The Company's registered office is:

The Estate Office, Etchinghill Golf, Etchinghill, Folkestone, Kent, CT18 8FA.

The Company's principal place of business is:

Brickfield Lane, Boughton, Boughton-under-Blean, Kent, ME13 9AJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2015.

2. Accounting policies (continued)

2.3 Going concern

The loans provided by the major shareholder and by an associated company are repayable at the

borrowing company's request and it is not expected that this will occur until the Group has

continued to trade profitably.

The Directors consider that the Group is in a strong position to manage its business risks and to

take advantage of the market conditions as the sector continues to recover post pandemic. Consequently they continue to adopt the going concern basis in preparing the annual report and

accounts.

The Directors have reviewed the Group's business and consider that there are no liabilities that

have not been shown in the balance sheet.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.5 Operating leases: the Group as lessee

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

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

2.6 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.8 Finance costs

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

2.9 Borrowing costs

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

2.10 Pensions

Defined contribution pension plan

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

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

2. Accounting policies (continued)

2.11 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2.12 Intangible assets

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

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

2. Accounting policies (continued)

2.13 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.

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

Depreciation is provided on the following basis:

Freehold property	-	2%
Leasehold property	-	5-10%
Plant and machinery	-	25%
Motor vehicles	-	25%
Fixtures and fittings	-	25%
Office equipment	-	25%

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

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

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.15 Stocks

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

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

2. Accounting policies (continued)

2.16 Debtors

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

2.17 Cash and cash equivalents

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

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.18 Creditors

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

2.19 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2. Accounting policies (continued)

2.20 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Group's Statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

2. Accounting policies (continued)

2.20 Financial instruments (continued)

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

2. Accounting policies (continued)

2.21 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives, including separately embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

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

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

4. Turnover

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

	2023	*2022*
	£	*£*
Hotel	**3,866,369**	*2,333,108*
Golf	**1,805,829**	*1,354,199*
Food and Beverage	**6,161,413**	*5,214,426*
Miscellaneous	**180,563**	*48,774*
	12,014,174	*8,950,507*

Analysis of turnover by country of destination:

	2023	*2022*
	£	*£*
United Kingdom	**12,014,174**	*8,950,507*
	12,014,174	*8,950,507*

5. Other operating income

	2023	2022
	£	£
Other operating income	16,818	64,640
Government grants receivable	-	90,688
	16,818	155,328

6. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Other operating lease rentals	88,600	38,263

7. Auditors' remuneration

During the period, the Group obtained the following services from the Company's auditors:

	2023	2022
	£	£
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	15,000	12,000

8. Employees

Staff costs were as follows:

	Group 31 May 2023 £	*Group 31 March 2022 £*	**Company 31 May 2023 £**	*Company 31 March 2022 £*
Wages and salaries	**4,111,858**	*2,485,481*	**3,735,388**	*2,485,481*
Social security costs	**439,389**	*214,919*	**406,118**	*214,919*
Cost of defined contribution scheme	**76,802**	*44,744*	**75,298**	*44,744*
	4,628,049	*2,745,144*	**4,216,804**	*2,745,144*

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

	2023 No.	*2022 No.*
Administration and Management	**162**	*132*

9. Interest payable and similar expenses

	2023 £	*2022 £*
Bank interest payable	**213,088**	*57,727*
Other loan interest payable	**17,121**	*17,178*
Finance leases and hire purchase contracts	**2,097**	*1,129*
	232,306	*76,034*

10. Taxation

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than *(2022 - lower than)* the standard rate of corporation tax in the UK of 19.86% - 25% from April 2023 (2022 - 19%*)*. The differences are explained below:

	2023	*2022*
	£	*£*
Profit on ordinary activities before tax	**212,366**	*1,671,703*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.86% (2022 - 19%)	**42,176**	*317,624*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**185,783**	*91,606*
Capital allowances for period/year in excess of depreciation	**(473,770)**	*(164,971)*
Utilisation of tax losses	**(46,950)**	*(244,259)*
Unrelieved tax losses carried forward	**292,761**	*-*
Total tax charge for the period/year	**-**	*-*

Factors that may affect future tax charges

Corporation tax charge increased to 25% from 1st April 2023.

11. Intangible assets

Group

	Computer software £
Cost	
At 1 April 2022	**48,873**
Additions	**1,013**
At 31 May 2023	**49,886**
Amortisation	
At 1 April 2022	**12,452**
Charge for the period on owned assets	**14,142**
At 31 May 2023	**26,594**
Net book value	
At 31 May 2023	**23,292**
At 31 March 2022	*36,421*

11. Intangible assets (continued)

Company

	Computer software £
Cost	
At 1 April 2022	**48,873**
At 31 May 2023	**48,873**
Amortisation	
At 1 April 2022	**12,452**
Charge for the year	**13,974**
At 31 May 2023	**26,426**
Net book value	
At 31 May 2023	**22,447**
At 31 March 2022	*36,421*

12. Tangible fixed assets

Group

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 April 2022	8,903,212	-	307,459	192,626	660,690	67,782	10,131,769
Additions	879,462	1,178,246	425,016	197,901	799,552	60,495	3,540,672
At 31 May 2023	9,782,674	1,178,246	732,475	390,527	1,460,242	128,277	13,672,441
Depreciation							
At 1 April 2022	407,981	-	274,656	66,589	223,400	19,880	992,506
Charge for the period on owned assets	207,155	28,181	45,227	100,258	285,000	10,597	676,418
At 31 May 2023	615,136	28,181	319,883	166,847	508,400	30,477	1,668,924
Net book value							
At 31 May 2023	9,167,538	1,150,065	412,592	223,680	951,842	97,800	12,003,517
At 31 March 2022	*8,495,231*	-	*32,803*	*126,037*	*437,290*	*47,902*	*9,139,263*

12. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	31 May 2023	*31 March 2022*
	£	*£*
Freehold	**9,167,538**	*8,495,231*
Short leasehold	**1,150,065**	*-*
	10,317,603	*8,495,231*

12. Tangible fixed assets (continued)

Company

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2022	**8,903,212**	**307,459**	**192,626**	**660,690**	**67,782**	**10,131,769**
Additions	**879,462**	**-**	**182,339**	**406,645**	**30,085**	**1,498,531**
At 31 May 2023	**9,782,674**	**307,459**	**374,965**	**1,067,335**	**97,867**	**11,630,300**
Depreciation						
At 1 April 2022	**407,981**	**274,656**	**66,589**	**223,400**	**19,880**	**992,506**
Charge for the period on owned assets	**207,155**	**13,233**	**98,459**	**251,812**	**7,393**	**578,052**
At 31 May 2023	**615,136**	**287,889**	**165,048**	**475,212**	**27,273**	**1,570,558**
Net book value						
At 31 May 2023	**9,167,538**	**19,570**	**209,917**	**592,123**	**70,594**	**10,059,742**
At 31 March 2022	*8,495,231*	*32,803*	*126,037*	*437,290*	*47,902*	*9,139,263*

12. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	31 May 2023 £	*31 March 2022 £*
Freehold	**9,167,538**	*8,495,231*
	9,167,538	*8,495,231*

13. Stocks

	Group 31 May 2023 £	*Group 31 March 2022 £*	Company 31 May 2023 £	*Company 31 March 2022 £*
Raw materials and consumables	**30,208**	*30,523*	**26,044**	*30,523*
Finished goods and goods for resale	**73,073**	*59,595*	**69,263**	*59,595*
	103,281	*90,118*	**95,307**	*90,118*

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

14. Debtors

	Group 31 May 2023 £	*Group 31 March 2022 £*	Company 31 May 2023 £	*Company 31 March 2022 £*
Amounts owed by group undertakings	-	*-*	2,571,041	*-*
	-	*-*	2,571,041	*-*

	Group 31 May 2023 £	*Group 31 March 2022 £*	Company 31 May 2023 £	*Company 31 March 2022 £*
Trade debtors	76,362	*16,147*	68,632	*16,147*
Other debtors	164,045	*428,312*	29,736	*428,312*
Prepayments and accrued income	276,679	*34,479*	180,316	*34,479*
Deferred taxation	292,761	*-*	292,761	*-*
	809,847	*478,938*	571,445	*478,938*

15. Cash and cash equivalents

	Group 31 May 2023 £	*Group 31 March 2022 £*	Company 31 May 2023 £	*Company 31 March 2022 £*
Cash at bank and in hand	226,788	*1,074,607*	130,167	*1,074,607*
Less: bank overdrafts	(644,996)	*-*	(643,893)	*-*
	(418,208)	*1,074,607*	(513,726)	*1,074,607*

16. Creditors: Amounts falling due within one year

	Group 31 May 2023 £	*Group 31 March 2022 £*	**Company 31 May 2023 £**	*Company 31 March 2022 £*
Bank overdrafts	**644,996**	*-*	**643,893**	*-*
Bank loans	**1,207,926**	*100,000*	**1,207,926**	*100,000*
Trade creditors	**782,449**	*549,513*	**570,350**	*549,513*
Amounts owed to other participating interests	**2,456,052**	*2,256,052*	**2,456,052**	*2,256,052*
Other taxation and social security	**332,826**	*363,275*	**294,921**	*363,275*
Obligations under finance lease and hire purchase contracts	**16,255**	*4,477*	**16,255**	*4,477*
Other creditors	**431,451**	*431,916*	**417,976**	*431,916*
Accruals and deferred income	**293,451**	*269,176*	**263,479**	*269,176*
	6,165,406	*3,974,409*	**5,870,852**	*3,974,409*

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

	31 May 2023 £	*31 March 2022 £*
Bank loans	**2,877,684**	*3,202,103*
Net obligations under finance leases and hire purchase contracts	**29,178**	*14,240*
Other creditors	**4,898,402**	*4,937,667*
	7,805,264	*8,154,010*

The following liabilities were secured:

	31 May 2023 £	*31 March 2022 £*
Bank loans falling due within one year	**1,207,926**	*100,000*
Bank loans falling due after one year	**2,877,684**	*3,202,103*
	4,085,610	*3,302,103*

Details of security provided:

The long term loan is repayable in 60 monthly installments from November 2019. Interest is charged at 2.07% above base rate. The Group's bank, Natwest Bank Plc has secured the loan by way of legal charges over the Group as listed below:

i) A fixed and floating charge covering all property or undertaking of Cave Hotels (UK) Ltd date 2nd March 2017. The charge contains a negative pledge.

ii) A fixed charge over the land at Boughton Golf Course, Brickfield Lane, Boughton Under Blean, Faversham registered under title numbers K683475, K714796 & K795340. The charge contains a negative pledge.

The CBILS loan is repayable in 60 monthly installments from May 2022. Interest is charged at 3.96% above base rate.

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 31 May 2023 £	*Group 31 March 2022 £*	**Company 31 May 2023 £**	*Company 31 March 2022 £*
Within one year	**16,255**	*4,477*	**16,255**	*4,477*
Between 1-5 years	**29,178**	*14,240*	**29,178**	*14,240*
	45,433	*18,717*	**45,433**	*18,717*

19. Financial instruments

	Group 31 May 2023 £	*Group 31 March 2022 £*	**Company 31 May 2023 £**	*Company 31 March 2022 £*
Financial assets				
Financial assets measured at fair value through profit or loss	**226,788**	*1,074,607*	**94,626**	*-*

20. Deferred taxation

	Group 31 May 2023 £	**Company 31 May 2023 £**
Accelerated capital allowances	**(261,937)**	**(261,937)**
Tax losses carried forward	**554,698**	**554,698**
	292,761	**292,761**

21. Share capital

	31 May 2023 £	*31 March 2022 £*
Allotted, called up and fully paid		
100 *(2022 - 100)* Ordinary shares of £1.0 each	**100**	*100*

22. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

23. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £76,802 (2022 - £44,744) . Contributions totalling £28,094 (2022 - £31,897) were payable to the fund at the reporting date and are included in creditors.

24. Commitments under operating leases

At 31 May 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 31 May 2023 £	*Group 31 March 2022 £*	**Company 31 May 2023 £**	*Company 31 March 2022 £*
Not later than 1 year	**261,625**	*53,316*	**-**	*53,316*
Later than 1 year and not later than 5 years	**1,140,500**	*41,753*	**-**	*41,753*
Later than 5 years	**368,156**	*-*	**-**	*-*
	1,770,281	*95,069*	**-**	*95,069*

25. Related party transactions

Directors and key management personnel:

At the year end, the Group owed key personnel £4,748,300 (2022: £4,755,198). The loan is interest

free and repayable on demand.

Connected company - Pentland Properties:

At the year end, the Group owed Pentland Properties £2,456,052 (2022: £2,256,052). The loan is interest free and repayable on demand.

Mrs V Tory:

The Group owed Mrs V Tory (Close family member of a director) £150,102 (2022: £182,469) at the

year end. Interest is charged on the loan at 11% and the loan is repayable on demand.

26. Controlling party

J N Tory is the ultimate controlling party by virtue of his majority shareholding in the Parent Company.