

**REGISTRARS COPY**

Registration number: 03811108

# **Lime Wood Group Limited**

**Annual Report and Consolidated Financial Statements**

**for the Year Ended 31 December 2015**

**PKF FRANCISCLARK**

Chartered accountants & business advisers

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## **Lime Wood Group Limited**

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## Lime Wood Group Limited

### Strategic Report for the Year Ended 31 December 2015

The Directors present their strategic report for the year ended 31 December 2015.

#### Principal activity

The principal activity of the company is that of hoteliers.

#### Fair review of the business

Neither Hotel has progressed in the way it did the previous year.

Lime Wood's sales have increased by 8% but similar cost increases resulted in an EBITDA figure similar to the previous year.

Portetta's sales were similar to the previous year. With costs increasing EBITDA has fallen back on 2014.

The Group's key financial and other performance indicators during the year were as follows:

	Unit	2015	2014
Lime Wood Hotel Turnover	£'000s	9,289	8,568
Lime Wood Hotel EBITDA	£'000s	2,132	2,147
Le Portetta Hotel Turnover	€'000s	2,842	2,803
Le Portetta Hotel EBITDA	€'000s	734	857

The above figures exclude Head Office expenses.

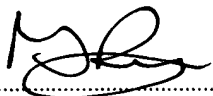
#### Principal risks and uncertainties

The business' principal financial instruments comprise bank balances and loans to the business. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Loans comprise loans from financial institutions. The interest rates and monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Approved by the Board on 29.9.16 and signed on its behalf by:



M Rice  
Company secretary

## **Lime Wood Group Limited**

### **Directors' Report for the Year Ended 31 December 2015**

The Directors present their report and the consolidated financial statements for the year ended 31 December 2015.

#### **Directors of the Group**

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

R C Hutson

B R Foster

A Hartnett (appointed 1 January 2015)

#### **Directors' responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

#### **Disclosure of information to the auditor**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 29.9.16 and signed on its behalf by:



M Rice  
Company secretary

## **Lime Wood Group Limited**

### **Independent Auditor's Report**

We have audited the financial statements of Lime Wood Group Limited for the year ended 31 December 2015, set out on pages 5 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2015 and of the Group's profit for the year 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

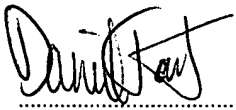
## **Lime Wood Group Limited**

### **Independent Auditor's Report**

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

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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



.....  
Daniel Tout ACA (Senior Statutory Auditor)  
For and on behalf of PKF Francis Clark, Statutory Auditor

The George Business Centre  
Christchurch Road  
New Milton  
Hampshire  
BH25 6QJ

Date: 29.9.16

# **Lime Wood Group Limited**

## **Consolidated Profit and Loss Account for the Year Ended 31 December 2015**

	Note	2015 £	2014 £
Turnover	3	13,226,226	12,335,240
Cost of sales		<u>(2,206,124)</u>	<u>(1,978,815)</u>
Gross profit		11,020,102	10,356,425
Administrative expenses		(10,009,147)	(9,495,509)
Other operating income	4	<u>18,396</u>	<u>29,118</u>
Operating profit	5	<u>1,029,351</u>	<u>890,034</u>
Other interest receivable and similar income	6	90,489	276,005
Interest payable and similar charges	7	<u>(290,621)</u>	<u>(320,749)</u>
		<u>(200,132)</u>	<u>(44,744)</u>
Profit before tax		829,219	845,290
Taxation	10	<u>(20,437)</u>	<u>(61,577)</u>
Profit for the financial year		<u>808,782</u>	<u>783,713</u>
<b>Profit/(loss) attributable to:</b>			
Owners of the company		<u>808,782</u>	<u>783,713</u>

The notes on pages 12 to 37 form an integral part of these financial statements.

# **Lime Wood Group Limited**

## **Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2015**

	Note	2015 £	2014 £
Profit for the year		808,782	783,713
Foreign currency translation gains/(losses)		<u>(258,823)</u>	<u>(316,027)</u>
Total comprehensive income for the year		<u>549,959</u>	<u>467,686</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the company		<u>549,959</u>	<u>467,686</u>

The notes on pages 12 to 37 form an integral part of these financial statements.

**Lime Wood Group Limited**

(Registration number: 03811108)

**Consolidated Balance Sheet as at 31 December 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	11	58,077	9,635
Tangible assets	12	36,532,337	37,021,590
Investment property	13	<u>225,000</u>	<u>225,000</u>
		<u>36,815,414</u>	<u>37,256,225</u>
<b>Current assets</b>			
Stocks	15	523,698	476,857
Debtors	16	4,357,604	4,567,050
Cash at bank and in hand	17	<u>1,339,962</u>	<u>727,131</u>
		6,221,264	5,771,038
<b>Creditors: Amounts falling due within one year</b>	18	<u>(16,145,036)</u>	<u>(15,590,087)</u>
<b>Net current liabilities</b>		<u>(9,923,772)</u>	<u>(9,819,049)</u>
<b>Total assets less current liabilities</b>		26,891,642	27,437,176
<b>Creditors: Amounts falling due after more than one year</b>	18	(8,947,278)	(10,042,287)
<b>Provisions for liabilities</b>		<u>(5,395)</u>	<u>(5,879)</u>
<b>Net assets</b>		<u>17,938,969</u>	<u>17,389,010</u>
<b>Capital and reserves</b>			
Called up share capital	20	28,869	28,869
Share premium reserve		70,458,730	70,458,730
Other reserves		91,725	91,241
Profit and loss account		<u>(52,640,355)</u>	<u>(53,189,830)</u>
<b>Equity attributable to owners of the company</b>		<u>17,938,969</u>	<u>17,389,010</u>
<b>Total equity</b>		<u>17,938,969</u>	<u>17,389,010</u>

Approved and authorised by the Board on 29.9.16 and signed on its behalf by:

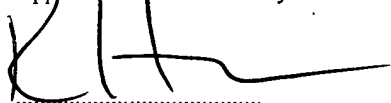


R C Hutson  
Director

**Lime Wood Group Limited**  
**(Registration number: 03811108)**  
**Balance Sheet as at 31 December 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	12	23,978,080	23,787,831
Investment property	13	225,000	225,000
Investments	14	16,009,534	17,026,795
		<u>40,212,614</u>	<u>41,039,626</u>
<b>Current assets</b>			
Stocks	15	457,416	412,520
Debtors	16	3,975,477	4,101,566
Cash at bank and in hand	17	885,563	399,236
		<u>5,318,456</u>	<u>4,913,322</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(4,489,107)</u>	<u>(4,235,706)</u>
<b>Net current assets</b>		<u>829,349</u>	<u>677,616</u>
<b>Total assets less current liabilities</b>		41,041,963	41,717,242
<b>Creditors: Amounts falling due after more than one year</b>	18	(7,171,000)	(7,870,167)
<b>Provisions for liabilities</b>		<u>(5,395)</u>	<u>(5,879)</u>
<b>Net assets</b>		<u>33,865,568</u>	<u>33,841,196</u>
<b>Capital and reserves</b>			
Called up share capital	20	28,869	28,869
Share premium reserve		70,458,730	70,458,730
Other reserves		91,725	91,241
Profit and loss account		<u>(36,713,756)</u>	<u>(36,737,644)</u>
<b>Total equity</b>		<u>33,865,568</u>	<u>33,841,196</u>

Approved and authorised by the Board on 29.9.16 and signed on its behalf by:



R C Hutson  
Director

**Lime Wood Group Limited**

**Consolidated Statement of Changes in Equity for the Year Ended 31 December 2015**

	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £	Total equity £
At 1 January 2015	28,869	70,458,730	91,241	(53,189,830)	17,389,010	17,389,010
Profit for the year	-	-	-	808,782	808,782	808,782
Foreign currency translation gains/(losses)	-	-	-	(258,823)	(258,823)	(258,823)
Total comprehensive income	-	-	-	549,959	549,959	549,959
Transfers	-	-	484	(484)	-	-
At 31 December 2015	28,869	70,458,730	91,725	(52,640,355)	17,938,969	17,938,969
	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £	Total equity £
At 1 January 2014	28,099	68,533,730	90,516	(53,656,791)	14,995,554	14,995,554
Profit for the year	-	-	-	783,713	783,713	783,713
Foreign currency translation gains/(losses)	-	-	-	(316,027)	(316,027)	(316,027)
Total comprehensive income	-	-	-	467,686	467,686	467,686
New share capital subscribed	770	1,925,000	-	-	1,925,770	1,925,770
Transfers	-	-	725	(725)	-	-
At 31 December 2014	28,869	70,458,730	91,241	(53,189,830)	17,389,010	17,389,010

The notes on pages 12 to 37 form an integral part of these financial statements.

**Lime Wood Group Limited**

**Statement of Changes in Equity for the Year Ended 31 December 2015**

	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £
At 1 January 2015	28,869	70,458,730	91,241	(36,737,644)	33,841,196
Profit for the year	-	-	-	1,041,633	1,041,633
Foreign currency translation gains/(losses)	-	-	-	(1,017,261)	(1,017,261)
Total comprehensive income	-	-	-	24,372	24,372
Transfers	-	-	484	(484)	-
At 31 December 2015	28,869	70,458,730	91,725	(36,713,756)	33,865,568
	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £
At 1 January 2014	28,099	68,533,730	90,516	(36,703,847)	31,948,498
Profit for the year	-	-	-	1,099,150	1,099,150
Foreign currency translation gains/(losses)	-	-	-	(1,132,222)	(1,132,222)
Total comprehensive income	-	-	-	(33,072)	(33,072)
New share capital subscribed	770	1,925,000	-	-	1,925,770
Transfers	-	-	725	(725)	-
At 31 December 2014	28,869	70,458,730	91,241	(36,737,644)	33,841,196

The notes on pages 12 to 37 form an integral part of these financial statements.  
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# Lime Wood Group Limited

## Consolidated Statement of Cash Flows for the Year Ended 31 December 2015

	Note	2015 £	2014 £
<b>Cash flows from operating activities</b>			
Profit for the year		808,782	783,713
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	1,103,718	1,165,778
Finance income	6	(90,489)	(276,005)
Finance costs	7	290,621	320,749
Income tax expense		20,437	61,577
		<u>2,133,069</u>	<u>2,055,812</u>
Working capital adjustments			
Increase in stocks	15	(46,841)	(15,577)
Decrease/(increase) in trade debtors	16	209,446	(765,897)
Increase in trade creditors	18	1,154,807	175,384
Cash generated from operations		3,450,481	1,449,722
Income taxes (paid)/received	10	(62,539)	1,038
Net cash flow from operating activities		<u>3,387,942</u>	<u>1,450,760</u>
<b>Cash flows from investing activities</b>			
Interest received		90,489	276,005
Acquisitions of tangible assets	12	(1,607,271)	(298,607)
Acquisition of intangible assets	11	(51,148)	-
Net cash flows from investing activities		<u>(1,567,930)</u>	<u>(22,602)</u>
<b>Cash flows from financing activities</b>			
Interest paid	7	(290,621)	(320,749)
Payments for purchase of own shares		-	1,925,770
Repayment of bank borrowing		(900,863)	(2,837,361)
Net cash flows from financing activities		<u>(1,191,484)</u>	<u>(1,232,340)</u>
Net increase in cash and cash equivalents		628,528	195,818
Cash and cash equivalents at 1 January		727,131	563,410
Effect of exchange rate fluctuations on cash held		(15,697)	(32,097)
Cash and cash equivalents at 31 December		<u>1,339,962</u>	<u>727,131</u>

The notes on pages 12 to 37 form an integral part of these financial statements.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Clayhill  
Beechen Lane  
Lyndhurst  
Hampshire  
SO43 7DD

Authorised for issue date

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2015.

No profit and loss account is presented for the company as permitted by section 408 of the companies Act 2006. Its profit for the financial year was £1,041,633 (2014 - £1,099,150).

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

#### **Going concern**

These financial statements have been prepared on a going concern basis, despite the excess of current liabilities over current assets shown on the balance sheet. The excess of current liabilities over current assets on the balance sheets is due to shareholder loans of £1,152,155 and €13,378,333 which have no repayment terms and are therefore repayable on demand and classified as a current liability. The shareholder has confirmed that they will continue to support the group and although the loans are repayable on demand they do not intend to recall the loan within 12 months of approving the accounts.

#### **Key sources of estimation uncertainty**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are noted below:

**Depreciation** – The company establishes a reliable estimate of the useful lives of tangible fixed assets. The carrying amount is £36,815,414 (2014 -£37,256,225).

#### **Revenue recognition**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

#### **Tax**

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

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 group operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the Group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Property, plant and equipment**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The directors consider that the freehold and long leasehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the profit and loss account.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	Nil - 25% straight line basis
Plant and machinery	20 - 50 % straight line basis
Fixtures and fittings	10 - 50% straight line basis and 15% reducing balance basis
Motor vehicles	20% straight line basis
Office equipment	20 - 33% straight line basis

#### **Investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Goodwill**

Goodwill is amortised over its useful life, which shall not exceed five years if a reliable estimate of the useful life cannot be made.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Intangible assets**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	20% straight line basis
Licenses	Nil - 100% straight line basis

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade receivables**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Inventories**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

#### **Trade payables**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2015 £	2014 £
Rendering of services	13,226,226	12,335,240
Rental income from investment property	15,000	17,484
Interest received	90,489	276,005
Other revenue	3,396	11,634
	<u>13,335,111</u>	<u>12,640,363</u>

The analysis of the group's turnover for the year by class of business is as follows:

	2015 £	2014 £
Hotel revenue	12,080,213	11,498,063
Management charges	978,121	700,273
Staff accommodation	167,892	136,904
	<u>13,226,226</u>	<u>12,335,240</u>

The analysis of the group's turnover for the year by market is as follows:

	2015 £	2014 £
UK	10,884,572	9,849,730
Europe	2,341,654	2,485,510
	<u>13,226,226</u>	<u>12,335,240</u>

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2015 £	2014 £
Other income	3,396	11,634
Rent receivable	15,000	17,484
	<u>18,396</u>	<u>29,118</u>

#### 5 Operating profit

Arrived at after charging/(crediting)

	2015 £	2014 £
Depreciation expense	1,101,617	1,165,778
Amortisation expense	2,101	-
Operating lease expense - plant and machinery	<u>65,877</u>	<u>77,983</u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **6 Other interest receivable and similar income**

	2015 £	2014 £
Other finance income	<u>90,489</u>	<u>276,005</u>

### **7 Interest payable and similar charges**

	2015 £	2014 £
Interest on bank overdrafts and borrowings	<u>290,621</u>	<u>320,749</u>

### **8 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	2015 £	2014 £
Wages and salaries	4,547,060	4,190,895
Social security costs	399,394	381,666
Pension costs, defined contribution scheme	<u>52,706</u>	<u>39,291</u>
	<u>4,999,160</u>	<u>4,611,852</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2015 No.	2014 No.
Administration and support	5	5
Sales, marketing and distribution	<u>234</u>	<u>213</u>
	<u>239</u>	<u>218</u>

### **9 Auditors' remuneration**

	2015 £	2014 £
Audit of these financial statements	<u>8,000</u>	<u>8,000</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>7,223</u>	<u>8,067</u>

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 10 Taxation

Tax charged/(credited) in the income statement

	2015 £	2014 £
<b>Current taxation</b>		
UK corporation tax	20,921	62,302
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(484)</u>	<u>(725)</u>
Tax expense in the income statement	<u>20,437</u>	<u>61,577</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2014 - lower than the standard rate of corporation tax in the UK) of 20.23% (2014 - 21.49%).

The differences are reconciled below:

	2015 £	2014 £
Profit before tax	<u>829,219</u>	<u>845,290</u>
Corporation tax at standard rate	167,751	181,653
Effect of expense not deductible in determining taxable profit (tax loss)	5,559	10,795
Effect of tax losses	(189,727)	(267,110)
Effect of foreign tax rates	47,106	67,797
Tax increase (decrease) from effect of capital allowances and depreciation	(9,768)	69,167
Tax increase (decrease) from effect of indexation allowance on capital gains	<u>(484)</u>	<u>(725)</u>
Total tax charge	<u>20,437</u>	<u>61,577</u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **Deferred tax**

#### **Group**

Deferred tax assets and liabilities

	<b>Liability £</b>
<b>2015</b>	
Revaluation of investment property	<u>5,395</u>

	<b>Liability £</b>
<b>2014</b>	
Revaluation of investment property	<u>5,879</u>

#### **Company**

Deferred tax assets and liabilities

	<b>Liability £</b>
<b>2015</b>	
Revaluation of investment property	<u>5,395</u>

	<b>Liability £</b>
<b>2014</b>	
Revaluation of investment property	<u>5,879</u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **11 Intangible assets**

#### **Group**

	Goodwill £	Trademarks, patents and licenses £	Total £
<b>Cost or valuation</b>			
At 1 January 2015	9,755,285	9,946	9,765,231
Additions acquired separately	-	51,148	51,148
Foreign exchange movements	(582,826)	(594)	(583,420)
At 31 December 2015	<u>9,172,459</u>	<u>60,500</u>	<u>9,232,959</u>
<b>Amortisation</b>			
At 1 January 2015	9,745,729	9,867	9,755,596
Amortisation charge	-	2,131	2,131
Foreign exchange movements	(582,256)	(589)	(582,845)
At 31 December 2015	<u>9,163,473</u>	<u>11,409</u>	<u>9,174,882</u>
<b>Carrying amount</b>			
At 31 December 2015	<u>8,986</u>	<u>49,091</u>	<u>58,077</u>
At 31 December 2014	<u>9,556</u>	<u>79</u>	<u>9,635</u>

**Lime Wood Group Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2015**

**12 Property, plant and equipment**

**Group**

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2015	67,939,498	5,562,931	77,201	584,461	74,164,091
Additions	328,182	1,243,875	-	35,214	1,607,271
Disposals	-	-	-	(9,214)	(9,214)
Foreign exchange movements	(1,207,546)	(132,900)	(1,615)	(12,127)	(1,354,188)
At 31 December 2015	67,060,134	6,673,906	75,586	598,334	74,407,960
<b>Depreciation</b>					
At 1 January 2015	33,376,811	3,233,305	52,009	480,376	37,142,501
Charge for the year	627,131	429,026	6,298	39,162	1,101,617
Eliminated on disposal	-	-	-	(9,214)	(9,214)
Foreign exchange movements	(260,805)	(87,032)	(1,615)	(9,829)	(359,281)
At 31 December 2015	33,743,137	3,575,299	56,692	500,495	37,875,623
<b>Carrying amount</b>					
At 31 December 2015	33,316,997	3,098,607	18,894	97,839	36,532,337
At 31 December 2014	34,562,687	2,329,626	25,192	104,085	37,021,590

Included within the net book value of land and buildings above is £33,116,997 (2014 - £34,362,687) in respect of freehold land and buildings, £200,000 (2014 - £200,000) in respect of long leasehold land and buildings and £Nil (2014 - £Nil) in respect of short leasehold land and buildings.

**Lime Wood Group Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2015**

**Company**

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2015	47,727,730	3,338,472	50,170	381,479	51,497,851
Additions	328,182	147,741	-	18,677	494,600
At 31 December 2015	48,055,912	3,486,213	50,170	400,156	51,992,451
<b>Depreciation</b>					
At 1 January 2015	25,592,624	1,776,554	24,978	315,864	27,710,020
Charge for the year	-	272,009	6,298	26,044	304,351
At 31 December 2015	25,592,624	2,048,563	31,276	341,908	28,014,371
<b>Carrying amount</b>					
At 31 December 2015	22,463,288	1,437,650	18,894	58,248	23,978,080
At 31 December 2014	22,135,106	1,561,918	25,192	65,615	23,787,831

Included within the net book value of land and buildings above is £22,263,288 (2014 - £21,935,106) in respect of freehold land and buildings, £200,000 (2014 - £200,000) in respect of long leasehold land and buildings and £Nil (2014 - £Nil) in respect of short leasehold land and buildings.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **13 Investment properties**

##### **Group**

	<b>2015</b>
	<b>£</b>
At 1 January	<u>225,000</u>
At 31 December	<u>225,000</u>

The investment property was revalued on 20 September 2010 by K Marsh MRICS, Savills (L&P), who is external to the company. The basis of this valuation was open market basis. The investment property has a current market value of £225,000 (2014 - £225,000) and a carrying amount at historic cost of £127,880 (2014 - £127,880). The depreciation on this historic cost is £nil (2014 - £nil).

##### **Company**

	<b>2015</b>
	<b>£</b>
At 1 January	<u>225,000</u>
At 31 December	<u>225,000</u>

The investment property was revalued on 20 September 2010 by K Marsh MRICS, Savills (L&P), who is external to the company. The basis of this valuation was open market basis. The investment property has a current market value of £225,000 (2014 - £225,000) and a carrying amount at historic cost of £127,880 (2014 - £127,880). The depreciation on this historic cost is £nil (2014 - £nil).

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 14 Investments

##### Group

##### Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2015	2014
Subsidiary undertakings				
Sarl Portetta	France	Ordinary	100%	100%

##### Subsidiary undertakings

The principal activity of Sarl Portetta is Hoteliers

##### Company

	2015	2014
	£	£
Investments in subsidiaries	16,009,534	17,026,795
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 January 2015		17,026,795
Revaluation		(1,017,261)
At 31 December 2015		16,009,534
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 December 2015		16,009,534
At 31 December 2014		17,026,795

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2015	2014
Subsidiary undertakings				
Sarl Portetta	France	Ordinary	100%	100%

The principal activity of Sarl Portetta is Hoteliers

#### 15 Inventories

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Other inventories	<u>523,698</u>	<u>476,857</u>	<u>457,416</u>	<u>412,520</u>

##### Group

The cost of stocks recognised as an expense in the year amounted to £2,097,221 (2014 - £1,900,541).

##### Company

The cost of stocks recognised as an expense in the year amounted to £1,829,014 (2014 - £1,615,532).

#### 16 Debtors

Note	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	199,133	180,996	135,343	112,607
Amounts owed by related parties	23 -	-	204,591	-
Other debtors	3,843,589	4,164,419	3,442,646	3,880,410
Prepayments	<u>314,882</u>	<u>221,635</u>	<u>192,897</u>	<u>108,549</u>
Total current trade and other debtors	<u>4,357,604</u>	<u>4,567,050</u>	<u>3,975,477</u>	<u>4,101,566</u>

#### 17 Cash and cash equivalents

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Cash on hand	7,723	3,865	4,137	2,076
Cash at bank	<u>1,332,239</u>	<u>723,266</u>	<u>881,426</u>	<u>397,160</u>
	<u>1,339,962</u>	<u>727,131</u>	<u>885,563</u>	<u>399,236</u>

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### 18 Creditors

		Group		Company	
	Note	2015 £	2014 £	2015 £	2014 £
<b>Due within one year</b>					
Loans and borrowings	21	12,015,839	12,574,079	1,872,155	1,804,155
Trade creditors		2,322,047	1,383,387	1,551,367	1,158,454
Amounts due to related parties	23	-	-	-	503,686
Social security and other taxes		451,163	507,082	550,656	411,075
Outstanding defined contribution pension costs		6,885	6,780	6,885	6,780
Other payables		867,816	796,008	12,091	13,206
Accrued expenses		475,032	274,879	475,032	274,879
Income tax liability		6,254	47,872	20,921	63,471
		<u>16,145,036</u>	<u>15,590,087</u>	<u>4,489,107</u>	<u>4,235,706</u>
<b>Due after one year</b>					
Loans and borrowings	21	<u>8,947,278</u>	<u>10,042,287</u>	<u>7,171,000</u>	<u>7,870,167</u>

### 19 Pension and other schemes

#### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £52,706 (2014 - £39,291).

Contributions totalling £6,885 (2014 - £6,780) were payable to the scheme at the end of the year and are included in creditors.

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### 20 Share capital

#### Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
A Ordinary shares of £1 each	500	500	500	500
B Ordinary shares of £1 each	28,369	28,369	28,369	28,369
	<u>28,869</u>	<u>28,869</u>	<u>28,869</u>	<u>28,869</u>

### 21 Loans and borrowings

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
<b>Non-current loans and borrowings</b>				
Bank borrowings	<u>8,947,278</u>	<u>10,042,287</u>	<u>7,171,000</u>	<u>7,870,167</u>
	Group		Company	
	2015 £	2014 £	2015 £	2014 £
<b>Current loans and borrowings</b>				
Bank borrowings	1,008,000	940,000	720,000	652,000
Other borrowings	<u>11,007,839</u>	<u>11,634,079</u>	<u>1,152,155</u>	<u>1,152,155</u>
	<u>12,015,839</u>	<u>12,574,079</u>	<u>1,872,155</u>	<u>1,804,155</u>

#### Group

##### Bank borrowings

Bank loan is denominated in pounds with a nominal interest rate of 2% plus LIBOR, and the final instalment is due on 6 April 2016. The carrying amount at year end is £7,891,000 (2014 - £8,522,167).

The bank loan is secured by a debenture over all of the assets in the company, a first legal charge over the property and a subordination deed with the shareholder.

Bank loan - Sarl Portetta is denominated in Euros with a nominal interest rate of 1.546, and the final instalment is due on 1 December 2023. The carrying amount at year end is £2,064,278 (2014 - £2,460,120).

## **Lime Wood Group Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **22 Obligations under leases and hire purchase contracts**

##### **Group**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	2015 £	2014 £
Not later than one year	12,000	12,000
Later than one year and not later than five years	48,000	48,000
Later than five years	192,000	204,000
	<u>252,000</u>	<u>264,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £12,000 (2014 - £12,000).

##### **Company**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	2015 £	2014 £
Not later than one year	12,000	12,000
Later than one year and not later than five years	48,000	48,000
Later than five years	192,000	204,000
	<u>252,000</u>	<u>264,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £12,000 (2014 - £12,000).

# **Lime Wood Group Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **23 Related party transactions**

#### **Group**

#### **Income and receivables from related parties**

	Entities with joint control or significant influence £
<b>2015</b>	
Receipt of services	895,570
Amounts receivable from related party	<u>162,048</u>

	Entities with joint control or significant influence £
<b>2014</b>	
Receipt of services	653,501
Amounts receivable from related party	<u>692,698</u>

#### **Expenditure with and payables to related parties**

	Key management £	Other related parties £
<b>2015</b>		
Purchase of goods	3,596	-
Rendering of services	446,032	-
Leases	-	120,738
	<u>449,628</u>	<u>120,738</u>
Amounts payable to related party	<u>27,045</u>	<u>10,230</u>

	Key management £	Other related parties £
<b>2014</b>		
Purchase of goods	6,007	-
Rendering of services	261,460	-
Leases	-	79,038
	<u>267,467</u>	<u>79,038</u>
Amounts payable to related party	<u>25,225</u>	<u>21,543</u>

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### Loans to related parties

	Entities with joint control or significant influence £
<b>2015</b>	
At start of period	3,176,005
Interest received	<u>90,489</u>
At end of period	<u><u>3,266,494</u></u>
	Entities with joint control or significant influence £
<b>2014</b>	
At start of period	2,900,000
Interest received	<u>276,005</u>
At end of period	<u><u>3,176,005</u></u>

#### Loans from related parties

	Other related parties £
<b>2015</b>	
At start of period	11,634,079
Impairment	<u>(626,240)</u>
At end of period	<u><u>11,007,839</u></u>
	Other related parties £
<b>2014</b>	
At start of period	14,256,860
Repaid	<u>(1,925,770)</u>
Impairment	<u>(697,011)</u>
At end of period	<u><u>11,634,079</u></u>

#### 24 Parent and ultimate parent undertaking

The most senior parent entity producing publicly available financial statements is Lime Wood Group Limited. These financial statements are available upon request from Clayhill, Beechen Lane, Lyndhurst, Hampshire, SO43 7DD

The ultimate controlling party is Mr J Ratcliffe.

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### 25 Transition to FRS 102

#### Consolidated Balance Sheet at 1 January 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Intangible assets	3,360,110	-	(3,349,835)	10,275
Tangible assets	39,274,913	(225,000)	-	39,049,913
Investment property	-	225,000	-	225,000
	<u>42,635,023</u>	<u>-</u>	<u>(3,349,835)</u>	<u>39,285,188</u>
<b>Current assets</b>				
Stocks	461,280	-	-	461,280
Debtors	3,816,621	-	-	3,816,621
Cash at bank and in hand	563,410	-	-	563,410
	<u>4,841,311</u>	<u>-</u>	<u>-</u>	<u>4,841,311</u>
Creditors: Amounts falling due within one year	<u>(3,732,752)</u>	<u>(14,256,860)</u>	<u>(6,604)</u>	<u>(17,996,216)</u>
Net current assets/(liabilities)	<u>1,108,559</u>	<u>(14,256,860)</u>	<u>(6,604)</u>	<u>(13,154,905)</u>
Total assets less current liabilities	43,743,582	(14,256,860)	(3,356,439)	26,130,283
Creditors: Amounts falling due after more than one year	<u>(25,391,589)</u>	<u>14,256,860</u>	<u>-</u>	<u>(11,134,729)</u>
Net assets/(liabilities)	<u>18,351,993</u>	<u>-</u>	<u>(3,356,439)</u>	<u>14,995,554</u>
<b>Capital and reserves</b>				
Called up share capital	28,099	-	-	28,099
Share premium reserve	68,533,730	-	-	68,533,730
Revaluation reserve	97,120	(97,120)	-	-
Other reserves	-	97,120	(6,604)	90,516
Profit and loss account	<u>(50,306,956)</u>	<u>-</u>	<u>(3,349,835)</u>	<u>(53,656,791)</u>
Total equity	<u>18,351,993</u>	<u>-</u>	<u>(3,356,439)</u>	<u>14,995,554</u>

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### Consolidated Balance Sheet at 31 December 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Intangible assets	2,176,033	-	(2,166,398)	9,635
Tangible assets	37,246,590	(225,000)	-	37,021,590
Investment property	-	225,000	-	225,000
	<u>39,422,623</u>	<u>-</u>	<u>(2,166,398)</u>	<u>37,256,225</u>
<b>Current assets</b>				
Stocks	476,857	-	-	476,857
Debtors	4,567,050	-	-	4,567,050
Cash at bank and in hand	727,131	-	-	727,131
	<u>5,771,038</u>	<u>-</u>	<u>-</u>	<u>5,771,038</u>
Creditors: Amounts falling due within one year	<u>(3,956,008)</u>	<u>(11,634,079)</u>	<u>(5,879)</u>	<u>(15,595,966)</u>
Net current assets/(liabilities)	<u>1,815,030</u>	<u>(11,634,079)</u>	<u>(5,879)</u>	<u>(9,824,928)</u>
Total assets less current liabilities	41,237,653	(11,634,079)	(2,172,277)	27,431,297
Creditors: Amounts falling due after more than one year	<u>(21,676,366)</u>	<u>11,634,079</u>	<u>-</u>	<u>(10,042,287)</u>
Net assets/(liabilities)	<u>19,561,287</u>	<u>-</u>	<u>(2,172,277)</u>	<u>17,389,010</u>
<b>Capital and reserves</b>				
Called up share capital	28,869	-	-	28,869
Share premium reserve	70,458,730	-	-	70,458,730
Revaluation reserve	97,120	(97,120)	-	-
Other reserves	-	97,120	(5,879)	91,241
Profit and loss account	<u>(51,023,432)</u>	<u>-</u>	<u>(2,166,398)</u>	<u>(53,189,830)</u>
Total equity	<u>19,561,287</u>	<u>-</u>	<u>(2,172,277)</u>	<u>17,389,010</u>

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### Consolidated Profit and Loss Account for the year ended 31 December 2014

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover		12,335,240	-	-	12,335,240
Cost of sales		<u>(1,978,815)</u>	<u>-</u>	<u>-</u>	<u>(1,978,815)</u>
Gross profit		10,356,425	-	-	10,356,425
Administrative expenses		(10,470,082)	-	974,573	(9,495,509)
Other operating income		<u>29,118</u>	<u>-</u>	<u>-</u>	<u>29,118</u>
Operating (loss)/profit		<u>(84,539)</u>	<u>-</u>	<u>974,573</u>	<u>890,034</u>
Other interest receivable and similar income		276,005	-	-	276,005
Interest payable and similar charges		<u>(320,749)</u>	<u>-</u>	<u>-</u>	<u>(320,749)</u>
		<u>(44,744)</u>	<u>-</u>	<u>-</u>	<u>(44,744)</u>
(Loss)/profit before tax		(129,283)	-	974,573	845,290
Taxation		<u>(62,302)</u>	<u>-</u>	<u>725</u>	<u>(61,577)</u>
(Loss)/profit for the financial year		<u><u>(191,585)</u></u>	<u><u>-</u></u>	<u><u>975,298</u></u>	<u><u>783,713</u></u>

#### FRS 102 adjustments:

- Reclassification of investment property from freehold property to investment property.
- Reclassification of revaluation reserve on investment property to a non-distributable reserve (other reserve).
- Remeasurement to include deferred tax on the potential capital gains relating to investment property revaluation.
- Remeasurement to change goodwill amortisation from 20 years straight line basis to 5 years straight line basis.

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### Balance Sheet at 1 January 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	24,070,796	(225,000)	-	23,845,796
Investment property	-	225,000	-	225,000
Investments	18,159,017	-	-	18,159,017
	<u>42,229,813</u>	<u>-</u>	<u>-</u>	<u>42,229,813</u>
<b>Current assets</b>				
Stocks	400,218	-	-	400,218
Debtors	3,432,961	-	-	3,432,961
Cash at bank and in hand	226,334	-	-	226,334
	<u>4,059,513</u>	<u>-</u>	<u>-</u>	<u>4,059,513</u>
Creditors: Amounts falling due within one year	<u>(2,734,132)</u>	<u>(3,077,925)</u>	<u>(6,604)</u>	<u>(5,818,661)</u>
Net current assets/(liabilities)	<u>1,325,381</u>	<u>(3,077,925)</u>	<u>(6,604)</u>	<u>(1,759,148)</u>
Total assets less current liabilities	43,555,194	(3,077,925)	(6,604)	40,470,665
Creditors: Amounts falling due after more than one year	<u>(11,600,092)</u>	<u>3,077,925</u>	<u>-</u>	<u>(8,522,167)</u>
Net assets/(liabilities)	<u>31,955,102</u>	<u>-</u>	<u>(6,604)</u>	<u>31,948,498</u>
<b>Capital and reserves</b>				
Called up share capital	28,099	-	-	28,099
Share premium reserve	68,533,730	-	-	68,533,730
Revaluation reserve	97,120	(97,120)	-	-
Other reserves	-	97,120	(6,604)	90,516
Profit and loss account	<u>(36,703,847)</u>	<u>-</u>	<u>-</u>	<u>(36,703,847)</u>
Total equity	<u>31,955,102</u>	<u>-</u>	<u>(6,604)</u>	<u>31,948,498</u>

# Lime Wood Group Limited

## Notes to the Financial Statements for the Year Ended 31 December 2015

### Balance Sheet at 31 December 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	24,012,831	(225,000)	-	23,787,831
Investment property	-	225,000	-	225,000
Investments	17,026,795	-	-	17,026,795
	<u>41,039,626</u>	<u>-</u>	<u>-</u>	<u>41,039,626</u>
<b>Current assets</b>				
Stocks	412,520	-	-	412,520
Debtors	4,101,566	-	-	4,101,566
Cash at bank and in hand	399,236	-	-	399,236
	<u>4,913,322</u>	<u>-</u>	<u>-</u>	<u>4,913,322</u>
Creditors: Amounts falling due within one year	<u>(3,083,551)</u>	<u>(1,152,155)</u>	<u>(5,879)</u>	<u>(4,241,585)</u>
Net current assets/(liabilities)	<u>1,829,771</u>	<u>(1,152,155)</u>	<u>(5,879)</u>	<u>671,737</u>
Total assets less current liabilities	42,869,397	(1,152,155)	(5,879)	41,711,363
Creditors: Amounts falling due after more than one year	<u>(9,022,322)</u>	<u>1,152,155</u>	<u>-</u>	<u>(7,870,167)</u>
Net assets/(liabilities)	<u>33,847,075</u>	<u>-</u>	<u>(5,879)</u>	<u>33,841,196</u>
<b>Capital and reserves</b>				
Share premium reserve	28,869	-	-	28,869
Capital redemption reserve	70,458,730	-	-	70,458,730
Revaluation reserve	97,120	(97,120)	-	-
Other reserves	-	97,120	(5,879)	91,241
Profit and loss account	<u>(36,737,644)</u>	<u>-</u>	<u>-</u>	<u>(36,737,644)</u>
Total equity	<u>33,847,075</u>	<u>-</u>	<u>(5,879)</u>	<u>33,841,196</u>

## Lime Wood Group Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### Profit and Loss Account for the year ended 31 December 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover	10,052,867	-	-	10,052,867
Cost of sales	<u>(1,693,806)</u>	<u>-</u>	<u>-</u>	<u>(1,693,806)</u>
Gross profit	8,359,061	-	-	8,359,061
Administrative expenses	(7,198,601)	-	-	(7,198,601)
Other operating income	<u>17,484</u>	<u>-</u>	<u>-</u>	<u>17,484</u>
Operating profit	<u>1,177,944</u>	<u>-</u>	<u>-</u>	<u>1,177,944</u>
Other interest receivable and similar income	276,005	-	-	276,005
Interest payable and similar charges	<u>(293,222)</u>	<u>-</u>	<u>-</u>	<u>(293,222)</u>
	<u>(17,217)</u>	<u>-</u>	<u>-</u>	<u>(17,217)</u>
Profit before tax	1,160,727	-	-	1,160,727
Taxation	<u>(62,302)</u>	<u>-</u>	<u>725</u>	<u>(61,577)</u>
Profit for the financial year	<u><u>1,098,425</u></u>	<u><u>-</u></u>	<u><u>725</u></u>	<u><u>1,099,150</u></u>

#### FRS 102 adjustments:

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- Reclassification of revaluation reserve on investment property to a non-distributable reserve (other reserve).
- Remeasurement to include deferred tax on the potential capital gains relating to investment property revaluation.
- Remeasurement to change goodwill amortisation from 20 years straight line basis to 5 years straight line basis.