

**Lime Wood Group Limited**  
**Annual Report and Consolidated Financial Statements**  
**Year Ended 31 December 2021**

Registration number: 03811108



# **Lime Wood Group Limited**

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# **Lime Wood Group Limited**

## **Strategic Report**

### **Year Ended 31 December 2021**

The directors present their strategic report for the year ended 31 December 2021:

#### **Principal activity**

The principal activity of the company is that of hoteliers.

#### **Fair review of the business**

Lime Wood Group Sales and EBITDA have increased over the previous year, due to the impact of COVID-19 causing greater periods of closure in 2020 than 2021. As a result of the pandemic Limewood Hotel were instructed to close their doors to guests on 21 March 2020. They were able to reopen on 4 July 2020 but again had to close from 5 November 2020 until 1 December 2020 and then again on 26 December 2020. The hotel reopened on 12 April 21 with restrictions on accommodation and indoor dining in place until 17 May 2021.

During the months the hotel was open performance was exceptional with average occupancy of 88% (2020: 90%). Restaurant trade exceeded budget. Covid restrictions caused the spa to trade below normal levels.

Portetta, closed its doors on 16 March 2020 and did not reopen again until 11 December 2021.

These financial statements have been prepared on a going concern basis, despite the excess of current liabilities over current assets shown on the consolidated balance sheet. The excess of current liabilities over current assets on the consolidated balance sheet 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.

The company's key financial and other performance indicators during the year were occupancy, covers and spends.

#### **COVID-19 Impact**

During these periods of closure mentioned above, we have made use of the Government available Coronavirus Job Retention Scheme (CJRS) and the Coronavirus Business Interruption Loan Scheme (CBILS).

At the height of the pandemic and our closures we have utilised the CJRS for over 200 members of staff. When we reopened this reduced to only a handful of employees remaining.

To support our ongoing fixed costs during closure we obtained an increased overdraft through the CBILS.

We did not have to utilise the extended CBILS overdraft in 2021.

The business has a sound foundation and has performed exceptionally since reopening.

# **Lime Wood Group Limited**

## **Strategic Report**

**Year Ended 31 December 2021**

### **Directors' Duties - S172 Companies Act 2006**

The board of directors of Limewood Group Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a)-(f) of the Act) in the decisions taken during the year ended 31 December 2021.

To assist them in discharging their duty under s172 Companies Act 2006, the Directors engage with employees, customers and suppliers to reflect their insights and views when making decisions on strategy; delivering operational effectiveness, driving initiatives; and committing to deliver outcomes that enhance social value. Below are examples of how the Directors engage with stakeholders:

**Employees:** The involvement and engagement of employees is vital to our business. We aim to be a responsible employer in our approach to the pay and benefits our team members receive. The health, safety and well-being of our team members is one of our primary factors in the way we do business.

**Guests:** The Directors place considerable value of the engagement and treatment of our guests. Our aim is to deliver a fantastic experience and gain their desire to return. We treat our guest's safety as one of our top priorities.

**Suppliers:** Suppliers are not decided purely based on price but also their quality, impact on the environment and local community and how they conduct business.

**Community:** In operating our Hotels, we took into account the impact of the company's operations on the community and environment and our wider social responsibilities, and in particular how we comply with legislation and react promptly to local community concerns. During 2020 we held a Companywide Environmental summit to discuss how we can better impact the environment with the decisions we make as a business.

As the board of directors, our intention is to behave responsibly and ensure that the management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours. The intention is to nurture our reputation, through both the construction and delivery of our vision, that reflects our responsible behaviour.

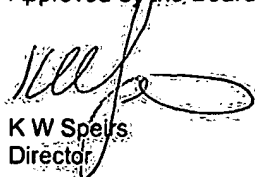
The above, along with the narratives in the Report of the Directors, help highlight how the Directors have observed the principles of s172 and engaged with stakeholders in decision making and in promoting the long-term success of the Company.

# **Lime Wood Group Limited**

## **Strategic Report**

**Year Ended 31 December 2021**

Approved by the Board on 28/9/2022 and signed on its behalf by:



K W Speers  
Director

# **Lime Wood Group Limited**

## **Directors' Report**

### **Year Ended 31 December 2021**

The directors present their report and the consolidated financial statements for the year ended 31 December 2021.

#### **Directors of the group**

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

R C Hutson

B R Foster (ceased 1 April 2022)

A Hartnett

The following directors were appointed after the year end:

S D Morland (appointed 9 May 2022)

K W Speirs (appointed 9 May 2022)

#### **Financial risk management**

The group's activities expose it to a variety of financial risks. The board reviews and agrees policies for managing these risks at regular intervals dependent on circumstances. The company's principal financial instruments include assets and liabilities such as trade receivables and payables arising directly from its operations.

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.

#### **Liquidity risk**

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring that sufficient liquid resources are available to meet operating needs of the business.

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. The business makes use of money market facilities where funds are available.

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

The group has adequate short-term debt finance to maintain liquidity and to ensure sufficient funds are available for ongoing operations and future developments.

#### **Credit risk**

New customers who wish to take on credit terms are subject to credit verification procedures. Trade receivables are monitored on an ongoing basis and provision is made for doubtful debts where necessary. Due to the nature of operations credit risk is not deemed a significant risk.

#### **Exchange rate risk**

The group is exposed to exchange rate risk due to operations outside of the UK. The group operates foreign currency bank accounts to mitigate this risk.

# **Lime Wood Group Limited**

## **Directors' Report**

**Year Ended 31 December 2021**

### **Employment of disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitude of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is provided. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Employee involvement**

The group's policy is to consult and discuss with employees, through staff councils and at staff meetings matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

### **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.

### **Energy and carbon report**

In the year to 31 December 2021, Lime Wood Group Limited total greenhouse gas emissions were 813 tonnes of carbon dioxide and the total energy consumption over this period was 3,193,000 KWH.

Energy consumption		<b>kWh</b>
Aggregate of energy consumption in the year		<b>3,193,000</b>
Emissions of CO2 equivalent	<b>Metric tonnes</b>	<b>Metric tonnes</b>
Scope 1 - direct emissions		
Emissions from fuels	526.00	
Emissions from transport	16.00	
		542.00
Scope 2 - indirect emissions		
Emissions from purchased electricity		269.00
Scope 3 - other indirect emissions		
Emissions from water		2.0
Total gross emissions		813.00
Intensity ratio		
Tonnes CO2e per hotel guest/footfall		0.008

# **Lime Wood Group Limited**

## **Directors' Report**

### **Year Ended 31 December 2021**

#### **Quantification and reporting methodology**

The Company has followed the 2019 HM Government Environmental Reporting Guidelines. The Company has also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting

Data sources for the information provided are meter readings, fuel invoices and recorded mileage.

#### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per guest/footfall at the Hotels

#### **Measures taken to improve energy efficiency**

Lime Wood Group does wherever possible use seasonal and sustainable food from as many local and regional suppliers as possible. By doing so greatly reduces our food miles which helps reduce our carbon footprint.

One of our significant and readily measurable initiatives was to remove all single use plastics from the Spa, Hotel Bedrooms and in general use across the whole property. All guests receive reusable water bottles to use throughout their visit filling up from various water filter stations across the hotel and spa. LED Lighting has been rolled out across the hotel and use of a BMS (Building Management System) enables us to manage heating efficiently across the site. All guest rooms are fitted with key fobs cutting the lighting when rooms are not occupied, plus many areas across the property are fitted with motion detectors, automatically switching off lights when unoccupied.

For several years now we have had working bee hives and now having a dedicated in-house bee keeper is allowing us to increase the number of honey producing hives. As part of our philosophy to reduce waste we talk to and educate our suppliers to manage the amount of packaging used with deliveries and our widely publicised 'Chefs Against Plastics' initiatives cascaded across many different suppliers who have implemented recyclable or reusable packaging for delivery of their goods. Not just with us but across their whole client base.



## Lime Wood Group Limited

Approved by the Board on 28/9/2022 and signed on its behalf by:

  
K W Speirs  
Director

## **Lime Wood Group Limited**

### **Statement of Directors' Responsibilities**

#### **Directors' responsibilities**

The directors acknowledge their responsibilities 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Lime Wood Group Limited**

### **Independent Auditor's Report to the Members of Lime Wood Group Limited**

#### **Opinion**

We have audited the financial statements of Lime Wood Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 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.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

## **Lime Wood Group Limited**

### **Independent Auditor's Report to the Members of Lime Wood Group Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

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

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 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 Statement of Directors' Responsibilities set out on page 8, 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.

## **Lime Wood Group Limited**

### **Independent Auditor's Report to the Members of Lime Wood Group Limited**

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

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

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

During our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to Lime Wood Group Limited. As part of this we enquired with management, reviewed the company's website, policies and procedures and made an appropriate audit engagement team selection (ensuring competence and capability to recognise non-compliance). Key regulations we identified were health and safety regulations, employment laws, and also those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

Management enquiries covered any knowledge or evidence of actual and potential fraud, litigation and claims, which were followed up with corroborative audit review work. We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. The principle risks identified were to manipulate results to meet financial covenants.

Based on our understanding of the entity, we designed our audit procedures to identify non-compliance with relevant laws and regulations. Our procedures involved the following:

- The risk of management override of controls was audited, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Review of legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Requested board minutes to review in relation to fraud, legal and regulatory issues that could impact the business and financial statements.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

## **Lime Wood Group Limited**

### **Independent Auditor's Report to the Members of Lime Wood Group Limited**

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the 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.



Daniel Tout FCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Towngate House  
2-8 Parkstone Road  
Poole  
Dorset  
BH15 2PW

Date: 28/9/12

## Lime Wood Group Limited

### Consolidated Profit and Loss Account

Year Ended 31 December 2021.

	Note	2021 £	2020 £
Turnover	3	12,279,567	11,210,036
Cost of sales		<u>(1,997,653)</u>	<u>(1,663,405)</u>
Gross profit		10,281,914	9,546,631
Administrative expenses		(11,387,386)	(11,328,085)
Other operating income	4	<u>1,662,323</u>	<u>1,581,207</u>
Operating profit/(loss)	5	<u>556,851</u>	<u>(200,247)</u>
Other interest receivable and similar income	8	108,346	105,250
Interest payable and similar expenses	9	<u>(143,480)</u>	<u>(129,596)</u>
		<u>(35,134)</u>	<u>(24,346)</u>
Profit/(loss) before tax		521,717	(224,593)
Tax on profit/(loss)	10	<u>(135,817)</u>	<u>6,233</u>
Profit/(loss) for the financial year		<u>385,900</u>	<u>(218,360)</u>
<b>Profit/(loss) attributable to:</b>			
Owners of the company		<u>385,900</u>	<u>(218,360)</u>

## **Lime Wood Group Limited**

### **Consolidated Statement of Comprehensive Income**

**Year Ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the year	385,900	(218,360)
Foreign currency translation gains/(losses)	<u>35,945</u>	<u>9,065</u>
Total comprehensive income for the year	<u>421,845</u>	<u>(209,295)</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the company	<u>421,845</u>	<u>(209,295)</u>



# Lime Wood Group Limited

## Consolidated Balance Sheet

31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	11	10,239	11,915
Tangible assets	12	36,852,921	37,936,707
Investment property	13	225,000	225,000
		<u>37,088,160</u>	<u>38,173,622</u>
<b>Current assets</b>			
Stocks	15	606,807	571,001
Debtors	16	4,892,143	4,438,511
Cash at bank and in hand		4,130,545	2,389,373
		<u>9,629,495</u>	<u>7,398,885</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(18,333,345)</u>	<u>(23,723,540)</u>
<b>Net current liabilities</b>		<u>(8,703,850)</u>	<u>(16,324,655)</u>
<b>Total assets less current liabilities</b>		28,384,310	21,848,967
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(7,067,098)</u>	<u>(953,600)</u>
<b>Net assets</b>		<u>21,317,212</u>	<u>20,895,367</u>
<b>Capital and reserves</b>			
Called up share capital	21	28,869	28,869
Share premium reserve		70,458,730	70,458,730
Other reserves		97,120	97,120
Profit and loss account		<u>(49,267,507)</u>	<u>(49,689,352)</u>
Equity attributable to owners of the company		<u>21,317,212</u>	<u>20,895,367</u>
<b>Shareholders' funds</b>		<u>21,317,212</u>	<u>20,895,367</u>

Approved and authorised by the Board on 28/9/2022 and signed on its behalf by:

  
K W Speers  
Director

Company Registration Number: 03811108

# Lime Wood Group Limited

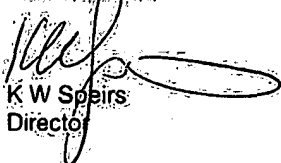
## Balance Sheet

31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	26,766,898	26,074,882
Investment property	13	225,000	225,000
Investments	14	14,645,913	14,645,913
		<u>41,637,811</u>	<u>40,945,795</u>
<b>Current assets</b>			
Stocks	15	507,735	490,876
Debtors	16	4,834,384	4,302,409
Cash at bank and in hand		2,769,556	1,377,543
		<u>8,111,675</u>	<u>6,170,828</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(5,650,812)</u>	<u>(10,020,810)</u>
<b>Net current assets/(liabilities)</b>		<u>2,460,863</u>	<u>(3,849,982)</u>
<b>Total assets less current liabilities</b>		44,098,674	37,095,813
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(5,720,000)</u>	<u>-</u>
<b>Net assets</b>		<u>38,378,674</u>	<u>37,095,813</u>
<b>Capital and reserves</b>			
Called up share capital	21	28,869	28,869
Share premium reserve		70,458,730	70,458,730
Other reserves		97,120	97,120
Profit and loss account		<u>(32,206,045)</u>	<u>(33,488,906)</u>
<b>Shareholders' funds</b>		<u>38,378,674</u>	<u>37,095,813</u>

The company made a profit after tax for the financial year of £1,282,861 (2020 - profit of £614,816).

Approved and authorised by the Board on 28/9/2022 and signed on its behalf by:

  
K W Speirs  
Director

Company Registration Number: 03811108

## Lime Wood Group Limited

### Consolidated Statement of Changes in Equity

Year Ended 31 December 2021

	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £	Total equity £
At 1 January 2021	28,869	70,458,730	97,120	(49,689,352)	20,895,367	20,895,367
Profit for the year	-	-	-	385,900	385,900	385,900
Foreign currency translation gains/(losses)	-	-	-	35,945	35,945	35,945
Total comprehensive income	-	-	-	421,845	421,845	421,845
At 31 December 2021	28,869	70,458,730	97,120	(49,267,507)	21,317,212	21,317,212
	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £	Total equity £
At 1 January 2020	28,869	70,458,730	97,120	(49,480,057)	21,104,662	21,104,662
Loss for the year	-	-	-	(218,360)	(218,360)	(218,360)
Foreign currency translation gains/(losses)	-	-	-	9,065	9,065	9,065
Total comprehensive income	-	-	-	(209,295)	(209,295)	(209,295)
At 31 December 2020	28,869	70,458,730	97,120	(49,689,352)	20,895,367	20,895,367

The notes on pages 20 to 43 form an integral part of these financial statements.

## Lime Wood Group Limited

### Statement of Changes in Equity Year Ended 31 December 2021

	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £
At 1 January 2021	28,869	70,458,730	97,120	(33,488,906)	37,095,813
Profit for the year	-	-	-	1,282,861	1,282,861
Total comprehensive income	-	-	-	1,282,861	1,282,861
At 31 December 2021	28,869	70,458,730	97,120	(32,206,045)	38,378,674
	Share capital £	Share premium £	Non-distributable reserve £	Profit and loss account £	Total £
At 1 January 2020	28,869	70,458,730	97,120	(34,103,722)	36,480,997
Profit for the year	-	-	-	614,816	614,816
Total comprehensive income	-	-	-	614,816	614,816
At 31 December 2020	28,869	70,458,730	97,120	(33,488,906)	37,095,813

# Lime Wood Group Limited

## Consolidated Statement of Cash Flows

Year Ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		385,900	(218,360)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	1,396,211	1,483,026
Profit on disposal of tangible assets		(8,020)	-
Finance income	8	(108,346)	(105,250)
Finance costs	9	143,480	129,596
Corporation tax charge		135,817	(6,233)
		<u>1,945,042</u>	<u>1,282,779</u>
Working capital adjustments			
(Increase)/decrease in stocks	15	(35,806)	5,746
(Increase)/decrease in trade debtors	16	(453,632)	999,564
Increase/(decrease) in trade creditors	18	<u>1,679,139</u>	<u>(1,126,947)</u>
Cash generated from operations		3,134,743	1,161,142
Corporation tax paid	10	<u>(99,488)</u>	<u>(1,915)</u>
Net cash flow from operating activities		<u>3,035,255</u>	<u>1,159,227</u>
<b>Cash flows from investing activities</b>			
Interest received		108,346	105,250
Acquisitions of tangible assets	12	(1,201,864)	(502,629)
Proceeds from sale of tangible assets		<u>13,908</u>	<u>7,387</u>
Net cash flows from investing activities		<u>(1,079,610)</u>	<u>(389,992)</u>
<b>Cash flows from financing activities</b>			
Interest paid	9	(143,480)	(129,596)
Proceeds from bank borrowing draw downs		<u>-</u>	<u>800,000</u>
Net cash flows from financing activities		<u>(143,480)</u>	<u>670,404</u>
Net increase in cash and cash equivalents		1,812,165	1,439,639
Cash and cash equivalents at 1 January		2,389,373	903,619
Effect of exchange rate fluctuations on cash held		<u>(70,993)</u>	<u>46,115</u>
Cash and cash equivalents at 31 December		<u>4,130,545</u>	<u>2,389,373</u>

The notes on pages 20 to 43 form an integral part of these financial statements.

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2021**

### **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  
England and Wales

The principal place of business is:

Lime Wood Hotel  
Beaulieu Road  
Lyndhurst  
SO43 7FZ  
England and Wales

### **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 2021.

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.

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.

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 December 2021**

#### **Summary of disclosure exemptions**

No profit and loss account is presented for the company as permitted by section 408 of the Companies Act 2006.

The company made a profit after tax for the financial year of £1,282,861 (2020 - profit of £614,816).

#### **Going concern**

At the balance sheet date, the group had net current liabilities of £8,703,850 (2020 - £16,324,655). This is due to shareholder loans of £1,152,155 and €11,942,807, 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 financial statements.

Also included in net current liabilities in 2020 was a bank loan with Santander of £5.72m, which was refinanced in April 2021.

In preparing and approving these financial statements, the directors have given due consideration to going concern risks pertaining to current trade performance, and in particular the impact of the COVID pandemic.

As explained on the strategic report on page 1, since re-opening, there have been strong occupancy levels and room rates. The directors have considered the best, worst and most likely outcomes over the next 12 months, with forecasts prepared that demonstrate the ability of the group to manage its cash flows and meet its obligations as and when they fall due.

As of the date of approving these accounts, the CBILS overdraft facility is no longer in place, the company is not forecast to require any additional shareholder support. With cash expected to be positive and demonstrate significant headroom throughout the 2022 and 2023 calendar year. As such the financial statements are prepared on a going concern basis.

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 December 2021**

#### **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 group establishes a reliable estimate of the useful lives of tangible fixed assets. The carrying amount is £36,852,921 (2020 -£37,936,707).

#### **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers at the group's Hotels, Restaurants and Spas.

Accommodation sales are recognised once the guest's stay has been completed.

Food and drink sales are recognised on purchase by the guest.

Spa sales include day spa visits which are recognised at the end of each session. Spa membership income is recognised on a straight line basis over the life of the membership. Income received in advance is deferred and included within creditors.

All other goods and services provided to hotel and spa guests are recognised as the service is carried out.

Income is received from companies under common control as a management charge for shared services and resources.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to income and expenditure are recognised in other income over the period in which the related costs are recognised.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **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 corporation 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.



# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 December 2021**

#### **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 company 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 and 25% reducing balance 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 by the directors. Periodically the directors instruct external valuers to use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset to fair value the investment property. Changes in fair value are recognised in profit or loss.

#### **Goodwill**

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

#### **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.

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. These have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2021**

### **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 subsidiaries are stated in the balance sheet at cost, less any subsequent accumulated impairment losses.

The cost of investments in subsidiaries includes directly attributable incremental costs incurred in their acquisition.

### **Stocks**

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.

### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

### **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**

#### **Year Ended 31 December 2021**

##### **Financial instruments**

###### ***Classification***

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

###### ***Recognition and measurement***

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

###### **Short term debtors and creditors**

Basic financial assets comprise short term trade and other debtors. Basic financial liabilities comprise short term trade and other creditors. Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received.

###### **Loans and borrowings (including overdrafts)**

Loans which meet the criteria under FRS102 to be classed as 'basic financial instruments' are initially recorded at transaction price and subsequently measured at amortised cost using the effective interest method.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **3 Revenue**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Hotel accommodation	5,031,656	5,297,543
Food and drink sales	3,782,213	3,358,923
Spa sales	2,038,696	1,411,649
Management charges	1,294,275	998,279
Staff accommodation	132,727	110,754
Other income	-	32,888
	<u>12,279,567</u>	<u>11,210,036</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
UK	11,934,925	9,062,019
Europe	<u>344,642</u>	<u>2,148,017</u>
	<u>12,279,567</u>	<u>11,210,036</u>

#### **4 Other operating income**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Government grants	1,555,881	1,562,789
Other income	90,692	3,418
Rent receivable	<u>15,750</u>	<u>15,000</u>
	<u>1,662,323</u>	<u>1,581,207</u>

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **5 Operating profit/(loss)**

Arrived at after charging/(crediting)

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation expense	1,395,218	1,477,091
Amortisation expense	993	5,935
Foreign exchange losses	18,548	342,171
Operating lease expense - plant and machinery	57,202	145,560
Profit on disposal of property, plant and equipment	<u>(8,020)</u>	<u>-</u>

#### **6 Staff costs**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	6,245,936	5,496,592
Social security costs	463,814	399,347
Pension costs, defined contribution scheme	132,504	121,245
Other employee expense	<u>42,553</u>	<u>40,600</u>
	<u><b>6,884,807</b></u>	<u><b>6,057,784</b></u>

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Spa	67	51
Restaurant	89	77
Hotel	64	77
Administration, support and management	<u>54</u>	<u>53</u>
	<u><b>274</b></u>	<u><b>258</b></u>

#### **7 Auditor's remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Audit of these financial statements	<u>9,000</u>	<u>8,500</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u><b>13,045</b></u>	<u><b>13,705</b></u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2021**

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

	2021 £	2020 £
Other finance income	<u>108,346</u>	<u>105,250</u>

### **9 Interest payable and similar expenses**

	2021 £	2020 £
Interest on bank overdrafts and borrowings	<u>143,480</u>	<u>129,596</u>

### **10 Taxation**

Tax charged/(credited) in the profit and loss account

	2021 £	2020 £
<b>Current taxation</b>		
UK corporation tax	135,817	16,763
UK corporation tax adjustment to prior periods	<u>          </u>	<u>(22,996)</u>
	<u>135,817</u>	<u>(6,233)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit/(loss) before tax	<u>521,717</u>	<u>(224,593)</u>
Corporation tax at standard rate	250,877	(42,673)
Effect of expense not deductible in determining taxable profit (tax loss)	113,372	(17,828)
Effect of tax losses		158,303
Tax decrease from effect of capital allowances and depreciation	<u>(228,432)</u>	<u>(104,035)</u>
Total tax charge/(credit)	<u>135,817</u>	<u>(6,233)</u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2021**

### **11 Intangible assets**

#### **Group**

	<b>Goodwill £</b>	<b>Trademarks, patents and licenses £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2021	11,114,896	97,908	11,212,804
Foreign exchange movements	(661,612)	(62)	(661,674)
At 31 December 2021	<u>10,453,284</u>	<u>97,846</u>	<u>10,551,130</u>
<b>Amortisation</b>			
At 1 January 2021	11,104,009	96,880	11,200,889
Amortisation charge	-	966	966
Foreign exchange movements	(660,964)	-	(660,964)
At 31 December 2021	<u>10,443,045</u>	<u>97,846</u>	<u>10,540,891</u>
<b>Carrying amount</b>			
At 31 December 2021	<u>10,239</u>	<u>-</u>	<u>10,239</u>
At 31 December 2020	<u>10,887</u>	<u>1,028</u>	<u>11,915</u>

## Lime Wood Group Limited

### Notes to the Financial Statements

Year Ended 31 December 2021

#### 12 Tangible assets

##### Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Assets under construction	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>						
At 1 January 2021	72,683,292	10,591,918	83,802	-	995,786	84,354,798
Additions	85,390	189,216	-	842,653	84,605	1,201,864
Disposals	-	(6,506)	-	-	-	(6,506)
Foreign exchange movements	(1,398,064)	(257,335)	(2,199)	-	(19,993)	(1,677,591)
At 31 December 2021	71,370,618	10,517,293	81,603	842,653	1,060,398	83,872,565
<b>Depreciation</b>						
At 1 January 2021	38,561,077	7,079,660	44,465	-	732,889	46,418,091
Charge for the year	709,060	587,787	12,351	-	60,983	1,370,181
Eliminated on disposal	-	(618)	-	-	-	(618)
Foreign exchange movements	(568,436)	(186,628)	(1,144)	-	(11,802)	(768,010)
At 31 December 2021	38,701,701	7,480,201	55,672	-	782,070	47,019,644
<b>Carrying amount</b>						
At 31 December 2021	32,668,917	3,037,092	25,931	842,653	278,328	36,852,921
At 31 December 2020	34,122,215	3,512,258	39,337	-	262,897	37,936,707



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**Lime Wood Group Limited**

**Notes to the Financial Statements**

**Year Ended 31 December 2021**

Included within the net book value of land and buildings above is £32,456,976 (2020 - £33,910,274) in respect of freehold land and buildings, £211,941 (2020 - £211,941) in respect of long leasehold land and buildings.

## Lime Wood Group Limited

### Notes to the Financial Statements

Year Ended 31 December 2021

#### Company

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Assets under construction	Plant and machinery £	Total £
<b>Cost or valuation</b>						
At 1 January 2021	49,196,225	6,268,773	46,850	-	659,898	56,171,746
Additions	39,921	188,221	-	842,653	80,603	1,151,398
At 31 December 2021	49,236,146	6,456,994	46,850	842,653	740,501	57,323,144
<b>Depreciation</b>						
At 1 January 2021	25,592,624	3,944,359	25,250	-	534,631	30,096,864
Charge for the year	-	409,555	5,400	-	44,427	459,382
At 31 December 2021	25,592,624	4,353,914	30,650	-	579,058	30,556,246
<b>Carrying amount</b>						
At 31 December 2021	23,643,522	2,103,080	16,200	842,653	161,443	26,766,898
At 31 December 2020	23,603,601	2,324,414	21,600	-	125,267	26,074,882

Included within the net book value of land and buildings above is £23,431,581 (2020 - £23,391,660) in respect of freehold land and buildings and £211,941 (2020 - £211,941) in respect of long leasehold land and buildings.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **13 Investment properties**

##### **Group**

	<b>2021</b>
	<b>£</b>
At 1 January	<u>225,000</u>
At 31 December	<u><u>225,000</u></u>

The investment property class of fixed asset is valued at market value by the directors. The investment property has a current market value of £225,000 (2020 - £225,000) and a carrying amount at historic cost of £127,880 (2020 - £127,880). The depreciation on this historic cost is £nil (2020 - £nil).

The investment property class of fixed asset was last revalued by an external valuer on 20 September 2010 by K Marsh MRICS, Savills (L&P), who is external to the group.

##### **Company**

	<b>2021</b>
	<b>£</b>
At 1 January	<u>225,000</u>
At 31 December	<u><u>225,000</u></u>

The investment property class of fixed asset is valued at market value by the directors. The investment property has a current market value of £225,000 (2020 - £225,000) and a carrying amount at historic cost of £127,880 (2020 - £127,880). The depreciation on this historic cost is £nil (2020 - £nil).

The investment property class of fixed asset was last revalued by an external valuer on 20 September 2010 by K Marsh MRICS, Savills (L&P), who is external to the company.

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **14 Investments**

##### **Group**

##### **Details of undertakings**

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Sarl Portetta	France	Ordinary	100%	100%

##### **Subsidiary undertakings**

##### *Sarl Portetta*

The principal activity of Sarl Portetta is Hoteliers

##### **Company**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	<u>14,645,913</u>	<u>14,645,913</u>
<b>Subsidiaries</b>		<b>£</b>
<b>Cost or valuation</b>		
At 1 January 2021		<u>14,645,913</u>
At 31 December 2021		<u>14,645,913</u>
<b>Carrying amount</b>		
At 31 December 2021		<u>14,645,913</u>
At 31 December 2020		<u>14,645,913</u>

# Lime Wood Group Limited

## Notes to the Financial Statements

Year Ended 31 December 2021

### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Sarl Portetta	France	Ordinary	100%	100%

### Subsidiary undertakings

*Sarl Portetta*

The principal activity of Sarl Portetta is Hoteliers..

### 15 Stocks

	2021 £	Group 2020 £	2021 £	Company 2020 £
Stocks	<u>606,807</u>	<u>571,001</u>	<u>507,735</u>	<u>490,876</u>

### 16 Debtors

	Note	2021 £	Group 2020 £	2021 £	Company 2020 £
Trade debtors		421,968	118,549	379,656	16,560
Amounts due from group undertakings	23			53,683	68,738
Other debtors		4,173,543	4,066,731	4,152,778	3,972,677
Prepayments		<u>296,632</u>	<u>253,231</u>	<u>248,267</u>	<u>244,434</u>
		<u>4,892,143</u>	<u>4,438,511</u>	<u>4,834,384</u>	<u>4,302,409</u>

Included in Other debtors is £3,948,717 due from Home Grown Hotels Limited, which is an entity with joint control. This was received in full after the year-end.

# Lime Wood Group Limited

## Notes to the Financial Statements

Year Ended 31 December 2021

### 17 Cash and cash equivalents

	2021 £	Group 2020 £	2021 £	Company 2020 £
Cash on hand	7,008	5,863	7,008	5,863
Cash at bank	4,123,537	2,383,510	2,762,548	1,371,680
	<u>4,130,545</u>	<u>2,389,373</u>	<u>2,769,556</u>	<u>1,377,543</u>

### 18 Creditors

	Note	2021 £	Group 2020 £	2021 £	Company 2020 £
<b>Due within one year</b>					
Loans and borrowings	19	12,680,554	19,786,217	1,152,155	6,872,155
Trade creditors		2,792,479	2,111,391	2,694,480	1,871,434
Corporation tax		119,101	82,772	135,817	100,546
Social security and other taxes		508,151	427,248	512,625	457,291
Outstanding defined contribution pension costs		24,791	22,636	24,791	22,636
Other creditors		1,227,715	629,175	150,390	32,647
Accrued expenses		980,554	664,101	980,554	664,101
		<u>18,333,345</u>	<u>23,723,540</u>	<u>5,650,812</u>	<u>10,020,810</u>
<b>Due after one year</b>					
Loans and borrowings	19	<u>7,067,098</u>	<u>953,600</u>	<u>5,720,000</u>	<u>-</u>

### 19 Loans and borrowings

	2021 £	Group 2020 £	2021 £	Company 2020 £
<b>Non-current loans and borrowings</b>				
Bank borrowings	<u>7,067,098</u>	<u>953,600</u>	<u>5,720,000</u>	<u>-</u>

# Lime Wood Group Limited

## Notes to the Financial Statements

Year Ended 31 December 2021

	2021 £	Group 2020 £	2021 £	Company 2020 £
<b>Current loans and borrowings</b>				
Bank borrowings	241,794	6,691,255		5,720,000
Other borrowings	12,438,760	13,094,962	1,152,155	1,152,155
	<u>12,680,554</u>	<u>19,786,217</u>	<u>1,152,155</u>	<u>6,872,155</u>

### Group

#### Bank borrowings

Bank loan is denominated in pounds and was re-financed with an interest rate of 2.5% plus SONIA in April 2021, with the final instalment being due on 27 April 2024. The carrying amount at year end is £5,720,000 (2020 - £5,720,000).

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 1 - Sarl Portetta is denominated in Euros with a nominal interest rate of 0.52% plus Euribor, with the final instalment being due in February 2025. The carrying amount at year end is €1,078,582 (2020 - €1,356,222)

Bank loan 2 - Sarl Portetta is denominated in Euros with a nominal interest rate of 0.699%, and was refinanced in October 2021, with the final instalment being due on 16 December 2023. The carrying amount at year end is €813,947 (2020 - €800,000).

### 20 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 £132,504 (2020 - £121,245).

Contributions totalling £24,791 (2020 - £22,636) 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**

**Year Ended 31 December 2021**

#### **21 Share capital**

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

	<b>No.</b>	<b>2021 £</b>	<b>No.</b>	<b>2020 £</b>
A Ordinary shares of £1 each	500	500	500	500
B Ordinary shares of £1 each	<u>28,369</u>	<u>28,369</u>	<u>28,369</u>	<u>28,369</u>
	<u>28,869</u>	<u>28,869</u>	<u>28,869</u>	<u>28,869</u>



## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

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

##### **Group**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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	120,000	132,000
	<u>180,000</u>	<u>192,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £12,000 (2020 - £12,000).

##### **Company**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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	120,000	132,000
	<u>180,000</u>	<u>192,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £12,000 (2020 - £12,000).

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **23 Related party transactions**

##### **Group**

##### **Summary of transactions with entities with joint control or significant interest**

The receipt of services relates to management charges to Home Grown Hotels Limited which is an entity with joint control. The company also has a loan to Home Grown Hotels Limited on which interest of 3% is being charged.

##### **Summary of transactions with other related parties**

The lease expense and creditor relate to the rental of residential properties for staff accommodation from Ineos Properties Limited which is a company under common ultimate control.

The loan is from the ultimate controlling party and has no repayment terms so is classified as due within 1 year but it has been confirmed that it is not the intention that this will be repaid within 12 months of the approval of the accounts.

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

	<b>Entities with joint control or significant influence £</b>
<b>2021</b>	
Receipt of services	1,294,275
Amounts receivable from related party	464,906
	<b>Entities with joint control or significant influence £</b>
<b>2020</b>	
Receipt of services	998,279

# Lime Wood Group Limited

## Notes to the Financial Statements

Year Ended 31 December 2021

### Expenditure with and payables to related parties

	Entities with joint control or significant influence £	Key management £	Other related parties £
<b>2021</b>			
Purchase of goods	-	10,387	-
Rendering of services	-	613,604	-
Leases	-	-	99,591
		<u>623,991</u>	<u>99,591</u>
Amounts payable to related party	<u>25,303</u>	<u>199,357</u>	<u>11,232</u>

	Key management £	Other related parties £
<b>2020</b>		
Purchase of goods	3,626	-
Rendering of services	83,751	-
Leases	-	101,906
	<u>87,377</u>	<u>101,906</u>
Amounts payable to related party	<u>594</u>	<u>11,232</u>

### Loans to related parties

	Entities with joint control or significant influence £	Total £
<b>2021</b>		
At start of period	3,762,124	3,762,124
Interest transactions	<u>108,345</u>	<u>108,345</u>
At end of period	<u>3,870,469</u>	<u>3,870,469</u>

	Entities with joint control or significant influence £	Total £
<b>2020</b>		
At start of period	3,656,977	3,656,977
Interest transactions	<u>105,147</u>	<u>105,147</u>
At end of period	<u>3,762,124</u>	<u>3,762,124</u>

## **Lime Wood Group Limited**

### **Notes to the Financial Statements**

**Year Ended 31 December 2021**

#### **Loans from related parties**

	<b>Other related parties £</b>
<b>2021</b>	
At start of period	13,094,962
Effect of exchange rate fluctuations	<u>(656,202)</u>
At end of period	<u><u>12,438,760</u></u>
	<b>Other related parties £</b>
<b>2020</b>	
At start of period	12,546,034
Effect of exchange rate fluctuations	<u>548,928</u>
At end of period	<u><u>13,094,962</u></u>

# **Lime Wood Group Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2021**

### **24 Financial Instruments**

#### **Group**

##### **Categorisation of financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Financial assets that are debt instruments measured at amortised cost	<u>4,595,511</u>	<u>4,193,924</u>
	<u>4,595,511</u>	<u>4,193,924</u>
Financial liabilities measured at amortised cost	<u>23,776,846</u>	<u>23,548,914</u>
	<u>23,776,846</u>	<u>23,548,914</u>

#### **Company**

##### **Categorisation of financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Financial assets that are debt instruments measured at amortised cost	4,598,679	3,997,881
Financial liabilities measured at amortised cost	9,726,025	8,776,236

### **25 Parent and ultimate parent undertaking**

The most senior parent entity producing publicly available financial statements is Lime Wood Group Limited. The ultimate controlling party is Sir Jim Ratcliffe.