

**HOLMES INVESTMENT PROPERTIES PLC**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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## **HOLMES INVESTMENT PROPERTIES PLC**

### **COMPANY INFORMATION**

<b>Directors</b>	A A Sardelic M Eberhardt (resigned 3 February 2022) N R B Holmes (resigned 12 January 2022) J D R Holmes (appointed 12 January 2022)
<b>Company secretary</b>	B M Sumner
<b>Registered number</b>	07505002
<b>Registered office</b>	85 Great Portland Street London England W1W 7LT
<b>Independent auditors</b>	Ashings Limited Chartered Accountants & Statutory Auditors Northside House Mount Pleasant Cockfosters Herts. EN4 9EB

# **HOLMES INVESTMENT PROPERTIES PLC**

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# **HOLMES INVESTMENT PROPERTIES PLC**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021**

### **Introduction**

The Company is an investment company, focusing on leisure with the following principal investments:

- 48% of Everyone Entertained
- 15% of Adrenaline World
- 100% of Ashtour World of Golf

### **Business review**

The board are pleased to present the report and accounts for the year ended 31st March 2021.

Holmes Investment Properties Plc is a property company focused on the leisure sector. We invest in leisure operators who we then place as our anchor tenants in the sites that we own or develop which gives us the position of a quasi-owner operator. This gives us a unique selling point and competitive edge against other purely property companies. The reason for this is that we have two revenue streams – rental income and capital appreciation of the asset; and the revenue or future dividends of the operating companies. The company remains focused on the above strategy.

The company has made progress in an extremely challenging environment, the operating businesses have had considerable investment of management time, and this has resulted in increased users and revenue. Overall, the operating businesses have exceeded targets and growth since the year end continues to be ahead of budget and appears to be sustained. There are plans to include a coffee shop and increased retail, a refreshed management team and an expansion of marketing activities which we hope will fuel further growth of our operating business.

Our property development activities have been impacted by COVID, but a pipeline of sites have been identified and two progressed in addition to Blackpool where we recently completed the public consultation related to our development. A considerable amount of work took place in the period under review and since as we make good on our commitment to develop indoor and outdoor entertainment as part of a major regional tourist hub in partnership with local people, driving the local economy and creating new jobs for local people. As the project develops, we will continue to incorporate local ideas and concerns to create entertainment and leisure facilities which we hope will serve as an example to others.

I am pleased to tell shareholders that our service to shareholders is being revamped now. In response to comments from you, we are withdrawing from the Berlin Stock Exchange, changing the share currency to sterling, consolidating the shares so there are fewer but with a greater face value and we expect to shortly make an announcement regarding trading arrangements in the UK.

For the Company, the principal challenge to date has been the disruption caused to the process of fundraising which has delayed the Company's ability to execute its strategy, to invest in leisure companies, providing strategic, management and financial support. This has resulted in delays in providing that support to the development of our existing operators. The directors have continued the fundraising process throughout the period and expect to realise significant funding which will allow a full roll out of the strategy through 2022-23.

As shareholders will be aware, the success of the company relies on access to funding and that where this proves difficult or if there was a return of lockdown or an economic downturn, the ability of the company to develop the sites could be significantly impacted which in turn would likely impact shareholder value.

I would like to thank Martin Eberhardt for all his support for the company, he stepped down as Chairman post the year end to take up another role, but we look forward to his eventual return. I would like to commend our CEO, Michael Simmonds for his strong leadership in challenging times and Malcolm Simmonds as well as Michael for the success they have delivered at our operating businesses. In total and including part time colleagues, the group has a team of well over 30 people and I would like to thank them for all their hard work and efforts during the year under review as we continued to focus on delivery for clients and to build the foundation for delivery of value to shareholders.

## **HOLMES INVESTMENT PROPERTIES PLC**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

#### **Principal risks and uncertainties**

The company's principle risks and uncertainties and their management have been assessed as follows:

##### Dependency on key management and personnel

As mentioned above, the business is heavily reliant on a small number of key personnel. The executive team meet fortnightly and board members are invited to attend. Payments require approval of at least two and all new contracts have to be signed off by the board.

##### Corporate Strategy

The value of the Company is dependent upon the Company achieving their strategic aims. Whilst the Directors are optimistic about the Company's prospects, there is no certainty that they will be able to achieve the anticipated revenues or growth. The Company believes it has the team in place to mitigate the risk of the corporate strategy not being achieved.

##### Future funding

The Company expects, directly or through its subsidiaries and holdings, to raise further funds in the future to develop the business model. While there can be no guarantee of raising future funds, in addition to the ongoing support of the Company's parent, the directors have spread this risk by accessing both equity and debt markets.

##### Property Development

There are certain risks inherent to the property development sector, which the Company minimises through appropriate research, effective contracts, contingency plans, and the experience and skills of its management teams.

##### Land Costs and Availability

The property market may fluctuate, prices rise or fall, and the availability of suitable sites may increase or decrease. The Company seeks to maintain a pipeline of opportunities sufficient to ensure its development plans can be executed together with the professional expertise to optimise its land costs.

##### The leisure sector

The leisure industry, particularly the activities, sports, and pastimes offered by the Company's leisure partners and its subsidiary, Ashtour Limited, are especially susceptible to trends and market influences, as is the provision of food and beverages. The Company, its partners, and its subsidiaries have mitigated this risk by ensuring they possess the experience and expertise to interpret consumer attitudes and preferences and plan accordingly.

#### **Financial key performance indicators**

The Company incurred a loss for the year of £687,913 (2020 - £2,350,303). Cash and cash equivalents were £Nil at the year end (2020 - £Nil). Net assets were £50,324,307 (2020 - £51,012,221).

#### **Directors' statement of compliance with duty to promote the success of the Company**

The board are committed to acting in good faith and in a manner most likely to promote the success of the company for the benefit of its members as a whole. In doing so, the directors pay due regard to the following factors in making key decisions; and in doing so have regard (amongst other matters) to the following:

- the likely long term consequences of any decision,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

**HOLMES INVESTMENT PROPERTIES PLC**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

This report was approved by the board on 3 May 2022 and signed on its behalf.



*James Holmes*  
Signed on 03/05/22 @ 16:36

.....  
**J D R Holmes**  
Director

## **HOLMES INVESTMENT PROPERTIES PLC**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

#### **Results and dividends**

The loss for the year, after taxation, amounted to £687,913 (2020 - loss £2,350,303).

The directors do not recommend the payment of a dividend.

#### **Directors**

The directors who served during the year were:

A A Sardelic  
M Eberhardt (resigned 3 February 2022)  
N R B Holmes (resigned 12 January 2022)

## **HOLMES INVESTMENT PROPERTIES PLC**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

#### **Future developments**

The company intends to raise finance to carry out planned investment activities.

The company intends to acquire freehold land and build Leisure facilities on site, and to lease the premises to market leading Operators in the rapidly evolving Leisure industry, creating a centre of Leisure Adventures.

#### **ENGAGEMENT WITH EMPLOYEES**

The Company is an Equal Opportunity Employer and its policy is to ensure that all employees and job applicants will be given equal opportunities in all aspects of employment and training irrespective of their gender, ethnic origin, disability, age, marital status, sexual orientation or religious affiliation (and/or any other protected characteristics under relevant legislation). The Company encourages, where possible, the employment of disabled people and the retention of those who become disabled during their employment with the Group. The Company employed only one person other than the Directors in the year who themselves were part of the executive management team. Given the Company's current size and nature, engagement is both informal and frequent. As funds are raised and the numbers of employees increase, a more formal process will be put in place to ensure appropriate engagement with all employees is maintained.

#### **Engagement with suppliers, customers and others**

As an investment company the Company has no customers and suppliers comprise professional advisers where the Company fosters long term relationships while ensuring value for money by seeking competitive quotes for significant advisory work.

The Company seeks to keep shareholders and debt providers informed through announcements on the website and directly as appropriate.

#### **Greenhouse gas emissions, energy consumption and energy efficiency action**

At this stage in the Company's development, there are no greenhouse emissions attributable to the company.

#### **Disclosure of information to auditors**

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

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


#### **Post balance sheet events**

There have been no significant events affecting the Company since the year end other than those detailed in note 22 to the financial statements.

#### **Auditors**

The auditors, Ashings Limited, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board on 3 May 2022 and signed on its behalf.

 *James Holmes*  
Signed on 03/05/22 @ 16:36

J D R Holmes  
Director



## **HOLMES INVESTMENT PROPERTIES PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLMES INVESTMENT PROPERTIES PLC**

#### **Opinion**

We have audited the financial statements of Holmes Investment Properties PLC (the 'Company') for the year ended 31 March 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter**

We draw attention to Note 2.3 to the financial statements which describes the uncertainty related to the Coronavirus outbreak. Our opinion is not qualified in relation to this matter.

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

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

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

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

## **HOLMES INVESTMENT PROPERTIES PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLMES INVESTMENT PROPERTIES PLC (CONTINUED)**

#### **Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **HOLMES INVESTMENT PROPERTIES PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLMES INVESTMENT PROPERTIES PLC (CONTINUED)**

#### **Auditors' responsibilities for the audit of the financial statements**

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

Identifying and assessing potential risks related to irregularities

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

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, real estate and pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management's incentive is management override and lack of segregation of duties. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, pension and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context included the Health and Safety Act.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

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

## HOLMES INVESTMENT PROPERTIES PLC

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLMES INVESTMENT PROPERTIES PLC (CONTINUED)

- reading minutes of meetings of those charged with governance where available, reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



*Nafisa Kachwalla*  
Countersigned on 03/05/22 @ 20:52

Nafisa Kachwalla FCA (Senior Statutory Auditor)

for and on behalf of

**Ashings Limited**

Chartered Accountants  
Statutory Auditors

Northside House  
Mount Pleasant  
Cockfosters  
Herts.  
EN4 9EB

3 May 2022

HOLMES INVESTMENT PROPERTIES PLC

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Administrative expenses		(241,055)	(2,182,604)
Other operating income	4	-	18
<b>Operating loss</b>	5	<b>(241,055)</b>	<b>(2,182,586)</b>
Interest payable and similar expenses	9	(446,858)	(167,717)
<b>Loss before tax</b>		<b>(687,913)</b>	<b>(2,350,303)</b>
<b>Loss for the financial year</b>		<b>(687,913)</b>	<b>(2,350,303)</b>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 14 to 25 form part of these financial statements.

**HOLMES INVESTMENT PROPERTIES PLC**  
**REGISTERED NUMBER: 07505002**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	11	53,104,907	53,104,907
		<u>53,104,907</u>	<u>53,104,907</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	859,002	687,561
		<u>859,002</u>	<u>687,561</u>
Creditors: amounts falling due within one year	13	(1,395,858)	(536,504)
		<u>(536,856)</u>	<u>151,057</u>
<b>Net current (liabilities)/assets</b>			
		<u>52,568,051</u>	<u>53,255,964</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	14	(2,243,743)	(2,243,743)
		<u>50,324,308</u>	<u>51,012,221</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	17	26,817,185	26,817,185
Share premium account	18	24,292,041	24,292,041
Capital redemption reserve	18	3,851,228	3,851,228
Profit and loss account	18	(4,636,146)	(3,948,233)
		<u>50,324,308</u>	<u>51,012,221</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 May 2022.



*James Holmes*  
Signed on 03/05/22 @ 16:36

.....  
**J D R Holmes**  
Director

The notes on pages 14 to 25 form part of these financial statements.

HOLMES INVESTMENT PROPERTIES PLC

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 April 2019	25,660,489	25,122,177	-	(1,597,930)	49,184,736
Comprehensive income for the year	-	-	-	(2,350,303)	(2,350,303)
Loss for the year	-	-	-	(2,350,303)	(2,350,303)
<b>Total comprehensive income for the year</b>	-	-	-	(2,350,303)	(2,350,303)
Shares issued during the year	5,304,913	(16,229)	-	-	5,288,684
Shares redeemed during the year	(29,699)	-	-	-	(29,699)
Shares cancelled during the year	(4,118,518)	-	-	-	(4,118,518)
Ordinary shares redeemed	-	(813,907)	-	-	(813,907)
Deferred ordinary shares cancelled	-	-	4,118,518	-	4,118,518
Ordinary shares redeemed	-	-	(267,290)	-	(267,290)
<b>Total transactions with owners</b>	<b>1,156,696</b>	<b>(830,136)</b>	<b>3,851,228</b>	<b>-</b>	<b>4,177,788</b>
At 1 April 2020	26,817,185	24,292,041	3,851,228	(3,948,233)	51,012,221
Comprehensive income for the year	-	-	-	(687,913)	(687,913)
Loss for the year	-	-	-	(687,913)	(687,913)
<b>Total comprehensive income for the year</b>	-	-	-	(687,913)	(687,913)
<b>Total transactions with owners</b>	-	-	-	-	-
<b>At 31 March 2021</b>	<b>26,817,185</b>	<b>24,292,041</b>	<b>3,851,228</b>	<b>(4,636,146)</b>	<b>50,324,308</b>

The notes on pages 14 to 25 form part of these financial statements.

**HOLMES INVESTMENT PROPERTIES PLC**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(687,913)	(2,350,303)
<b>Adjustments for:</b>		
Interest paid	446,858	167,717
Decrease in debtors	3,750	1,348,618
(Increase) in amounts owed by groups	(22,644)	(375,702)
(Increase) in amounts owed by joint ventures	(152,547)	(302,854)
Increase/(decrease) in creditors	338,080	(188,194)
<b>Net cash generated from operating activities</b>	<u>(74,416)</u>	<u>(1,700,718)</u>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	174,073
Other new loans	521,273	1,689,744
Interest paid	(446,857)	(167,718)
<b>Net cash used in financing activities</b>	<u>74,416</u>	<u>1,696,099</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>-</u>	<u>(4,619)</u>
Cash and cash equivalents at beginning of year	-	4,619
<b>Cash and cash equivalents at the end of year</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
	<u>-</u>	<u>-</u>

The notes on pages 14 to 25 form part of these financial statements.



## **HOLMES INVESTMENT PROPERTIES PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **1. General information**

The company is incorporated in England and Wales as a public limited company with its registered office sited at 85 Great Portland Street, London, England, W1W 7LT.

The company acts as a holding company.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

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

The following principal accounting policies have been applied:

##### **2.2 Exemption from preparing consolidated financial statements**

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

##### **2.3 Going concern**

At 31 March 2021 the Company had net current liabilities of 536,856.

It is not possible yet to fully quantify the impact of Covid-19 but its' impact on the Company and its investments has already been significant. For the Company, the principal impact of Covid-19 to date has been the disruption caused to the process of fundraising which has delayed the Company's ability to execute its strategy, to invest in leisure companies, providing strategic, management and financial support. This has resulted in delays in providing that support to the development of Everyone Entertained and Adrenaline World as well as signing up new brands although work has continued, in particular on design and pre-planning preparatory work at both the Everyone Entertained North Shields site and Adrenaline World's Blackpool site.

Covid also clearly impacted the trading performance of its' Ashtour World of Golf business, partially offset by Government support. The management of Ashtour have taken the opportunity afforded by lockdown to enhance the facilities and are confident that trading will recover to better than historic levels when allowed.

The directors have continued the fundraising process throughout the period and expect to realise significant funding which will allow a full roll out of the strategy during 2021-2022 / 2022-2023.

## **HOLMES INVESTMENT PROPERTIES PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.4 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP. These financial statements have been rounded to the nearest £1.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

## **HOLMES INVESTMENT PROPERTIES PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.5 Revenue**

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 is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

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

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

###### **Rendering of services**

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

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

##### **2.6 Finance costs**

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

##### **2.7 Borrowing costs**

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

##### **2.8 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.9 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

##### **2.10 Debtors**

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

## **HOLMES INVESTMENT PROPERTIES PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.11 Creditors**

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

##### **2.12 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

The preparation of financial statements requires management and the Board of Directors to make estimates and judgements that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These estimates are based on historical experience and various other assumptions that management and the Board believe are reasonable under the circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, significantly impacting the company's earnings and financial position.

The key accounting estimates used by the Directors relate to the carrying value of investments in subsidiary undertakings shown as at cost less impairment. The Directors agree that the cost of the investment in the shares of the subsidiary undertaking is a truer measure of the cost of investments and no fair value adjustment is deemed necessary. The other estimates used by the Company relate to the general estimation of accruals and prepayments.

**HOLMES INVESTMENT PROPERTIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**4. Other operating income**

	2021 £	2020 £
Other operating income	-	18
	<u>-</u>	<u>18</u>

**5. Operating loss**

The operating loss is stated after charging:

	2021 £	2020 £
Exchange differences	(919)	(46,550)
	<u>-</u>	<u>-</u>

**6. Auditors' remuneration**

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	6,102	6,000
	<u>6,102</u>	<u>6,000</u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	21,702	137,464
Social security costs	5,007	12,264
	<u>26,709</u>	<u>149,728</u>

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

	2021 No.	2020 No.
Directors	3	3
Administration	1	1
	<u>4</u>	<u>4</u>

# HOLMES INVESTMENT PROPERTIES PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	21,701	119,089
	<u>21,701</u>	<u>119,089</u>

### 9. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	446,858	167,717
	<u>446,858</u>	<u>167,717</u>

### 10. Taxation

#### Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Loss on ordinary activities before tax	<u>(687,913)</u>	<u>(2,350,303)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(142,848)	(446,558)
Effects of:		
Unrelieved tax losses carried forward	142,848	446,558
Total tax charge for the year	<u>-</u>	<u>-</u>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

**HOLMES INVESTMENT PROPERTIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**11. Fixed asset investments**

	Investments in subsidiary companies £	Investments in associates £	Total £
<b>Cost or valuation</b>			
At 1 April 2020	53,082,707	22,200	53,104,907
At 31 March 2021	<u>53,082,707</u>	<u>22,200</u>	<u>53,104,907</u>

**12. Debtors**

	2021 £	2020 £
Amounts owed by group undertakings	398,346	375,702
Amounts owed by joint ventures and associated undertakings	455,401	302,854
Other debtors	1,123	9,005
Prepayments and accrued income	4,132	-
	<u>859,002</u>	<u>687,561</u>

**13. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Debenture loans	175,001	175,000
Other loans	556,273	35,000
Trade creditors	130,687	159,983
Other taxation and social security	25,448	4,903
Other creditors	11,511	1,029
Accruals and deferred income	496,938	160,589
	<u>1,395,858</u>	<u>536,504</u>

HOLMES INVESTMENT PROPERTIES PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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

	2021 £	2020 £
Other loans	2,243,743	2,243,743
	<u>2,243,743</u>	<u>2,243,743</u>

15. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Other loans	556,273	35,000
Debenture loans	175,000	175,000
	<u>731,273</u>	<u>210,000</u>
<b>Amounts falling due 2-5 years</b>		
Other loans	2,243,744	2,243,744
	<u>2,243,744</u>	<u>2,243,744</u>
	<u>2,975,017</u>	<u>2,453,744</u>

16. Financial instruments

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>854,870</u>	<u>687,561</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(3,606,884)</u>	<u>(2,775,344)</u>

Financial assets that are debt instruments measured at amortised cost comprise other current debtors.

Financial liabilities measured at amortised cost comprise other current liabilities.



# HOLMES INVESTMENT PROPERTIES PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 17. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
738,260,251 (2020 - 526,535,597) Ordinary shares of €0.001- each	609,236	609,236
300,000,000 (2020 - 240,000,000) Preference shares of €0.010- each	2,620,795	2,620,795
300,000,000 (2019 - Nil) Deferred preference shares of €0.090- each	23,587,154	23,587,154
	<u>26,817,185</u>	<u>26,817,185</u>

### 18. Reserves

#### Share premium account

The share premium reserve represents the surplus on issuing shares over the nominal value of the shares less costs of issuance.

#### Profit and loss account

Representing cumulative profits and losses of the company.

## **HOLMES INVESTMENT PROPERTIES PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **19. Related party transactions**

The following related party transactions took place in the year.

##### **Transactions with directors:**

M Eberhardt, a director, was paid fees and expenses of £6,000 (2020: £Nil) during the year and was owed £116,475 in unpaid salary and consultancy fees at the year end (2020: £55,317).

A Sardelic, a director, was paid fees and expenses of £Nil (2020: £25,679) during the year and was owed £27,149 at the year end (2020: £4,549).

##### **With parent company and controller**

At 31 March 2021 Grosvenor Square Investments Ltd ("Grosvenor") held 233,843,100 (2020: 249,812,500) ordinary shares and 283,786,279 (2020: 283,786,279) preference shares, making 517,629,379 out of 1,003,959,751 total shares in issue.

Grosvenor provided financial support to the Company during the previous year, in 2020 they loaned £3,920 (2020: £Nil) with £3,215 remaining outstanding at 31 March 2021 (2020: £705 debit). Grosvenor has agreed to continue to provide financial support for the year following the date of these accounts.

On 22 July 2020 the Company entered into a loan agreement with Robert Holmes Ltd, a company controlled by the Company's ultimate controlling party, James Holmes. This provided the Company with a £500,000 borrowing facility at 8% coupon, fully repayable by 30 November when the directors expected funding to be in place. See Post Balance Sheet Note. Under the agreement, £521,273 (2020: £Nil) was advanced to the Company in the year all of which remained outstanding at 31 March 2021.

##### **With key management**

The Chief Executive was paid £79,950 (2020: £190,907) and was owed £50,050 (2020: £10,000) at the year end.

##### **With corporate related parties**

The results of the Company and its corporate related parties other than HIP (Operations) Ltd, to whom the Company outsourced its banking transactions, are consolidated in the accounts of its holding company, Grosvenor Square investments Ltd. Receipts of £491,659 (2020: £1,847,962) and payments of £493,063 (2020: £1,865,175) were made in the year by HIP (Operations) Ltd.

## HOLMES INVESTMENT PROPERTIES PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 20. Post balance sheet events

As with many businesses, the year ended 31 March 2021 was severely impacted by Covid-19. For the Company, the principal impact of Covid-19 to date has been the disruption caused to the process of drawing fundraising which has delayed the Company's ability to execute its strategy, to invest in leisure companies, providing strategic, management and financial support. This has resulted in delays in providing that support to the development of Everyone Entertained and Adrenalin World as well as signing up new brands although work has continued, in particular on design and pre-planning preparatory work at both the Everyone Entertained sites and in particular the planned Stanley Park Golf Course Development in Blackpool.

Covid also clearly impacted the trading performance of its' Ashtour World of Golf business, partially offset by Government support. The management of Ashtour have taken the opportunity afforded by lockdown to improve the facilities and are confident that trading will recover to better than historic levels when allowed.

As noted in notes to Related Party Transactions, on 22 July 2020 the Company entered into a loan agreement with Robert Holmes Ltd, a company controlled by the Company's ultimate controlling party, James Holmes. This provided the Company with a £500,000 borrowing facility at 8% coupon, fully repayable by 30 November when the directors expected funding to be in place.

Following delays in procuring the funding the loan was, by mutual consent, rolled over and on 25 May the Company agreed fresh terms, increasing the facility to £750,000 maturing on the earlier of 31 May 2022 and the date on which a minimum of £1,500,000 of funding was received. A coupon of 12% is chargeable, payable when the principal is repaid. The revised terms also require the Company to issue Secured Loan Notes with a face value of £750,000 maturing 31 August 2023, redeemable for £1 on repayment of the loan and associated interest. No coupon will be payable on the Loan Notes issued unless the Company fails to repay the loan.

On 21 October 2021, the loan was extended by a further £250,000, this latter tranche also repayable on the earlier of 31 May 2022 or on the receipt of a further £500,000 funding over and above the £1,500,000 funding above. The Company also agreed to issue further Secured Loan Notes with a face value of £250,000 maturing 31 August 2023, redeemable for £1 on repayment of the loan and associated interest. No coupon will be payable on the Loan Notes issued unless the Company fails to repay the loan.

On the 4 April 2022, the Company agreed to guaranteed working capital support of up to £581,000. Any funds drawn will be repayable on or before 31st March 2023. The Company agreed to issue further Secured Loan Notes with a face value of £1,200,000 maturing 31st August 2023. The Loan Notes will be cancelled upon repayment of any funds drawn against the guarantee or the cancellation of the Support Agreement governing the support. No coupon will be payable on the Loan Notes issued unless the Company fails to repay the loan.

#### 21. Controlling party

The directors regard Grosvenor Square Investments Limited as being the immediate parent undertaking and Auchroisk Holdings Limited as being the ultimate parent undertaking and James Holmes as being the ultimate controlling party.

## HOLMES INVESTMENT PROPERTIES PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 22. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Ashtour Limited	Beverley Park Golf Range, Beverley Way, New Malden, Surrey, United Kingdom, KT3 4PH	Ordinary	100%
UK Adventure Parks Limited	85 Great Portland Street, London, England, W1W 7LT	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Ashtour Limited	133,147	8,708
UK Adventure Parks Limited	7,700	-

#### Associate

The following was an associate of the Company:

Name	Registered office	Class of shares	Holding
Everyone Entertained Limited	Beverley Park Golf Range, Beverley Way, New Malden, Surrey, United Kingdom, KT3 4PH	Ordinary	48%