

Company Registration No. 00220638 (England and Wales)

GORING HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



GORING HOLDINGS LIMITED

COMPANY INFORMATION

Directors J.C.R. Goring Esq.
J.C.B. Goring Esq.
Mrs C. Conner
D. Morgan-Hewitt Esq.

Secretary Cripps LLP

Company number 00220638

Registered office 15 Beeston Place
Grosvenor Gardens
London
SW1W 0JW

Auditor Alliotts LLP
Imperial House
8 Kean Street
London
WC2B 4AS

Business address The Goring Hotel
15 Beeston Place
Grosvenor Gardens
London
SW1W 0JW

GORING HOLDINGS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 8
Income statement	9
Group statement of comprehensive income	10
Group statement of financial position	11
Company statement of financial position	12
Group statement of changes in equity	13
Company statement of changes in equity	14
Group statement of cash flows	15
Notes to the financial statements	16 - 35

GORING HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Fair review of the business

The group's largest trading subsidiary is The Goring Hotel Limited.

The Goring Hotel is an historic luxury hotel in London's Belgravia district, famed for its independent style and modern British cuisine. Impeccably English and perfectly individual, The Goring features 69 sumptuous suites and rooms, each uniquely decorated with the finest furnishings. As the last remaining family-owned luxury hotel in London, it is renowned for its warm, intimate atmosphere and personalised service. With its central location in Belgravia, it is perfectly placed for spectacular sights, shopping, food and all that London has to offer.

March 2020 brought on a challenge no-one could have predicted with the arrival of Covid-19, forcing us to close our doors on 23 March 2020. With the significant Covid-19 restrictions placed on the Hospitality Sector by the Government, we have only been able to trade for a little over two months (September, October and part of December) in the current 2020/21 financial year. The Hotel remained closed at the balance sheet date, in line with lockdown laws.

The hotel's Executive Committee continually assessed the fluid governmental regulations enabling swift decision making to protect the hotel asset, our staff and securing a structure to set us up for future recovery when restrictions are relaxed. With support from our suppliers, our wonderful staff and Government Furlough Schemes we were able to keep the outgoings to a minimum to curtail the financial impact of Covid-19. Despite this setback, the Hotel has maintained both its impeccable service and relentless focus on guest experience for the short period of trading this year.

Both of the company's French subsidiaries, Le Manoir de Lezurec and La Maison Goring, as well as The RBC, our property in Cornwall, have had a satisfactory performance during the year, meeting the group's expectations.

Having considered the extremely volatile trading conditions during this financial year, the Directors are satisfied with the results detailed in these accounts, and the performance of the group's management team during one of our most challenging years in our 111-year history.

Principal risks and uncertainties

The principal risk and uncertainty facing the group that could have a material effect on the company's business activities is the general economic environment resulting from the pandemic due to its close alignment with the performance of the hospitality industry. Adverse economic conditions worldwide as well as Brexit's impact could have a material effect on the performance of the company. The group also recognises that there is continued and increasing pressure on the business from increases in the supply of luxury accommodation in London.

The group manages these risks through offering an unparalleled level of service to its guests, the high standards of the facilities offered to guests, and through its unique position in the market as the last luxury hotel in central London still run by the family that built it. These factors serve to reduce the financial impact arising from any adverse economic conditions that may occur.

The group's operations expose it to a variety of financial risks that include market risk, credit risk, liquidity and cash flow risk. Market risk is managed as outlined above.

Credit risk arises from the use of facilities provided by the group's bankers to fund its refurbishment programme and the activities of the group. The provision of the facilities entail obligations on the group to meet the conditions on which they are provided. These conditions are reviewed regularly by management to ensure compliance throughout the year and the directors are confident that they will continue to be able to secure these facilities when required.

Liquidity and cash flow risk is managed by maintaining adequate group reserves and by monitoring forecast and actual cash flows to ensure the group has continuity of funding in order to finance the group's operations.

The group's principal financial instruments comprise bank balances, bank loans, trade creditors and trade debtors. The main purpose of these instruments is to enable the management of the group's working capital in order to finance the group's operations. The nature of these instruments results in no exposure to price risk

GORING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Analysis of development and performance during the year and position at the year end

In spite of the risks highlighted, many of which the group faces each year, the group has successfully curtailed the impact of the pandemic on the overall company performance. As a result of the swift decision making by the group's management team, we are satisfied the group was in a strong position to commence the journey to recovery as soon as restrictions were relaxed on 17 May 2021.

The directors consider the results for the year and the financial position at the year-end as shown in the accounts to be satisfactory. The company is in an excellent position to push forward with management's plans to offer guests an ever more unparalleled level of service and higher quality of facilities to enjoy.

Analysis based on key performance indicators

The key non-financial performance indicators of the business are as follows:

- Excellent reviews in major industry rating systems
- Staff retention at a senior level being stable
- The maintenance of existing accolades and awards

The group's trading subsidiaries have met all of the above despite the extreme challenges presented by the pandemic. In terms of financial performance indicators:

A marginal increase in gross profit margin of 0.54% (2021: 84.56%; 2020: 84.10%), occurred and due to the 90% decrease in turnover the gross profit decreased to £1,309,895 (2020: £13,511,247).

Administrative expenses are lower (2021: £6,176,849; 2020: £13,247,775) reflecting the extended periods of closure during this financial year.

Net assets reduced by 32% (2021: £8,204,057; 2020: £12,129,199) as a result of the pandemic on the overall group performance. The increase in net current liabilities to £4,608,426 (2020: £2,279,974) is mainly due to the additional cost of running and maintaining the Hotel, despite ongoing closures, and retaining staff during a year significantly impacted by Covid 19. This has been funded through increased bank facilities that are being reduced post year end after the Hotel reopened.

Future developments

Following the challenges of this pandemic impacted financial year, we look forward to delighting our guests once more as soon as restrictions are relaxed.

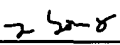
We curated additional capacity in our 'Secret Garden', a tropical oasis located in our private garden to the rear of the hotel, which played host to a number of outdoor events and pop-ups during the summer of 2021.

We will continue our acute focus on staff training and retention ensuring we deliver the exquisite and personal level of service our guests have got accustomed to.

The continued deployment of vaccines, and its apparent success, leads the directors to believe that confidence will return to the market. We are optimistic that as the local and international travel restrictions are relaxed, we will experience a steady return of our loyal guests and look forward to a gradual return to normality and the Company then returning to profitability in the future.

With a sale agreed on one of our properties in France, Le Manoir de Lezurec, we expect completion of this transaction in the 2021/22 financial year. We furthermore anticipate a strong performance for our other two subsidiaries, La Maison Goring and The RBC, with the self-catering market expected to be in high demand.

On behalf of the board


Jeremy Goring (Jan 21, 2022, 14:38 HST)

J.C.R. Goring Esq.
Director

GORING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities

The principal activity of the group continued to be that of operating The Goring Hotel, London SW1, The Chapel, Cornwall, Le Manoir de Lezurec, France and Villa Iduzkia, France.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J.C.R. Goring Esq.
J.C.B. Goring Esq.
Mrs C. Conner
D. Morgan-Hewitt Esq.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Information referred to in Strategic Report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

GORING HOLDINGS LIMITED


DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board


.....
Jeremy Goring (Jan 21, 2022 14:38 HST)

J.C.R. Goring Esq.
Director
.....

GORING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GORING HOLDINGS LIMITED

Opinion

We have audited the financial statements of Goring Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group income statement, the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group 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 FRS 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 March 2021 and of the group's 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 *Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

GORING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GORING HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 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 directors' responsibilities statement, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

GORING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GORING HOLDINGS LIMITED

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the hospitality sector and holding companies;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Audit response to risks identified

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

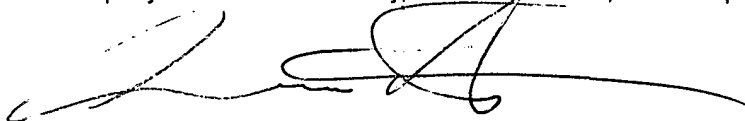
GORING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GORING HOLDINGS LIMITED

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

Use of our report

This report is made solely to the 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.



Christopher Mantel (Senior Statutory Auditor)
For and on behalf of Alliotts LLP

22 January 2022

Chartered Accountants
Statutory Auditor

Imperial House
8 Kean Street
London
WC2B 4AS

GORING HOLDINGS LIMITED

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Revenue	3	1,549,138	16,068,931
Cost of sales		(239,243)	(2,557,684)
Gross profit		1,309,895	13,511,247
Administrative expenses		(6,176,849)	(13,247,775)
Other operating income		1,916,299	78,766
Operating (loss)/profit	4	(2,950,655)	342,238
Investment income		1,462	-
Finance costs	8	(184,867)	(152,193)
Other gains and losses	9	(1,661,603)	373,416
(Loss)/profit before taxation		(4,795,663)	563,461
Tax on (loss)/profit	10	873,969	(211,702)
(Loss)/profit for the financial year		(3,921,694)	351,759

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

GORING HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
(Loss)/profit for the year	(3,921,694)	351,759
Other comprehensive income		
Currency translation differences	(3,448)	2,374
Total comprehensive income for the year	<u>(3,925,142)</u>	<u>354,133</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.


GORING HOLDINGS LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Property, plant and equipment	11	7,527,628		7,796,970	
Investment properties	12	8,700,000		10,361,603	
Investments	13	100		100	
		<u>16,227,728</u>		<u>18,158,673</u>	
Current assets					
Inventories	15	922,860		942,902	
Trade and other receivables	16	1,181,309		860,381	
Cash at bank and in hand		64,506		119,486	
		<u>2,168,675</u>		<u>1,922,769</u>	
Current liabilities	17	<u>(6,777,101)</u>		<u>(4,202,743)</u>	
Net current liabilities			<u>(4,608,426)</u>		<u>(2,279,974)</u>
Total assets less current liabilities			<u>11,619,302</u>		<u>15,878,699</u>
Non-current liabilities	18		<u>(2,918,500)</u>		<u>(2,918,500)</u>
Provisions for liabilities	20		<u>(496,745)</u>		<u>(831,000)</u>
Net assets			<u><u>8,204,057</u></u>		<u><u>12,129,199</u></u>
Equity					
Called up share capital	22	22,473		22,473	
Revaluation reserve		2,223,562		3,549,812	
Capital redemption reserve		42,779		42,779	
Retained earnings		5,915,243		8,514,135	
Total equity			<u><u>8,204,057</u></u>		<u><u>12,129,199</u></u>

The financial statements were approved by the board of directors and authorised for issue on 20 January 2022 and are signed on its behalf by:


 Jeremy Goring (Jan 21, 2022 14:38 HST)

J.C.R. Goring Esq.
 Director

GORING HOLDINGS LIMITED

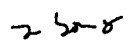
COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Property, plant and equipment	11	1,081,994		1,098,258	
Investments	13	2,869,767		3,076,070	
		<u>3,951,761</u>		<u>4,174,328</u>	
Current assets					
Trade and other receivables	16	275,695		274,428	
Cash at bank and in hand		13,923		22,308	
		<u>289,618</u>		<u>296,736</u>	
Current liabilities	17	(1,239,609)		(1,400,426)	
Net current liabilities			(949,991)		(1,103,690)
Total assets less current liabilities		<u>3,001,770</u>		<u>3,070,638</u>	
Equity					
Called up share capital	22	22,473		22,473	
Capital redemption reserve		42,779		42,779	
Retained earnings		2,936,518		3,005,386	
Total equity		<u>3,001,770</u>		<u>3,070,638</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £68,867 (2020 - £38,837 loss).

The financial statements were approved by the board of directors and authorised for issue on 20 January 2022 and are signed on its behalf by:



 Jeremy Goring (Jan 21, 2022 14:38 HST)

J.C.R. Goring Esq.
 Director

Company Registration No. 00220638

GORING HOLDINGS LIMITED

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

	Share capital	Revaluation reserve	Capital redemption reserve	Retained earnings	Total
	£	£	£	£	£
Balance at 1 April 2019	22,473	3,310,826	42,779	8,398,988	11,775,066
Year ended 31 March 2020:					
Profit for the year	-	-	-	351,759	351,759
Other comprehensive income:					
Currency translation differences	-	-	-	2,374	2,374
Total comprehensive income for the year	-	-	-	354,133	354,133
Transfers	-	238,986	-	(238,986)	-
Balance at 31 March 2020	22,473	3,549,812	42,779	8,514,135	12,129,199
Year ended 31 March 2021:					
Loss for the year	-	-	-	(3,921,694)	(3,921,694)
Other comprehensive income:					
Currency translation differences	-	-	-	(3,448)	(3,448)
Total comprehensive income for the year	-	-	-	(3,925,142)	(3,925,142)
Transfers	-	(1,326,250)	-	1,326,250	-
Balance at 31 March 2021	22,473	2,223,562	42,779	5,915,243	8,204,057

GORING HOLDINGS LIMITED

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

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
Balance at 1 April 2019	22,473	42,779	3,044,223	3,109,475
Year ended 31 March 2020:				
Loss and total comprehensive income for the year	-	-	(38,837)	(38,837)
Balance at 31 March 2020	22,473	42,779	3,005,386	3,070,638
Year ended 31 March 2021:				
Loss and total comprehensive income for the year	-	-	(68,868)	(68,868)
Balance at 31 March 2021	22,473	42,779	2,936,518	3,001,770

GORING HOLDINGS LIMITED

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

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(3,487,008)		8,124
Interest paid			(184,867)		(152,193)
Income taxes refunded/(paid)			170,753		(53,888)
Net cash outflow from operating activities			(3,501,122)		(197,957)
Investing activities					
Purchase of property, plant and equipment		(12,356)		(1,127,489)	
Purchase of investment property		-		(12,638)	
Interest received		1,462		-	
Net cash used in investing activities			(10,894)		(1,140,127)
Financing activities					
New bank loans		-		2,918,500	
Net cash (used in)/generated from financing activities			-		2,918,500
Net (decrease)/increase in cash and cash equivalents			(3,512,016)		1,580,416
Cash and cash equivalents at beginning of year			(2,055,475)		(3,635,891)
Cash and cash equivalents at end of year			(5,567,491)		(2,055,475)
Relating to:					
Cash at bank and in hand			64,506		119,486
Bank overdrafts included in creditors payable within one year			(5,631,997)		(2,174,961)

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Goring Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office and trading address is The Goring Hotel, 15 Beeston Place, Grosvenor Gardens, London, SW1W 0JW.

The group consists of Goring Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £68,867 (2020 - £38,837 loss).

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries are accounted for at cost less impairment.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Goring Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

The Goring Hotel was closed for 8 of the 12 months in the period but has remained open throughout after the year end. The roll out of vaccines and boosters amongst the general population appears to have been largely successful and it is hoped that the pandemic may have peaked and restrictions on travel are now being reduced. Consequently the directors believe that the hospitality industry will gradually return to normality, with the Company and Group returning to profitability shortly thereafter.

In December 2021, the directors formalised bank finance through a loan of £8.5m and an on-going overdraft facility of £1.75m. The overdraft facility is reviewed annually with the next review due in March 2022 when the directors expect this to be renewed for a further year.

The directors have considered the next 12 months and have satisfied themselves that the Company and Group have adequate resources to continue in operational existence. The projections for the Goring Hotel are based on estimated room occupancies with the expectation that occupancy will gradually return to normality in the coming months. These expectations are by their very nature estimates. The directors consider it unlikely that a similar lockdowns will occur in the immediate future.

The directors have reviewed their cashflows and sources of finance and have satisfied themselves that based on the above understanding, they can continue in operational existence for the foreseeable future.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and value added tax.

Revenue is recognised for hotel, restaurant, accommodation rentals, and ancillary services as those services are provided to customers.

Revenue in respect of residential investment properties is recognised in the period to which it relates.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Expenditure on development, including major replacement and improvement of assets, is capitalised under the appropriate heading of land and buildings or fixtures, fittings, and equipment. Land and buildings includes the costs associated with structural improvements to freehold and long-term leasehold properties. The cost of replacement of glass and china and certain other loose equipment is charged to profit or loss in the year in which it is incurred.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land freehold	Nil
Buildings freehold	Nil, 2% and 5% per annum on cost
Land and buildings Leasehold	equal annual instalments over the term of the lease - 71, 99 & 123 years
Fixtures, fittings & equipment	5% to 33% per annum on cost
Motor vehicles	20% per annum on cost

Depreciation is not charged on certain freehold land and buildings as the company has a policy and practice of maintaining the property to a high standard and accordingly retains a residual value not less than carrying value and a long useful life. Accordingly, any depreciation and accumulated depreciation are immaterial.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in profit or loss.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Non-current investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

1.8 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets (other than those accounted for at fair value through profit or loss) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the purchase price of goods and, where appropriate, an apportionment of long-term storage costs.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

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

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Contributions payable to the group's defined contribution pension schemes are charged to the profit and loss account for the year to which they relate.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on translation are included in the income statement for the period.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition

Revenue is recognised upon the date of the provision of services from both hotel and restaurant operations and from holiday lettings, the principal revenue source being the occupation of hotel rooms. The directors consider that this is when it is probable that the economic benefits associated with the provision of the service will flow to the entity since only upon guest check-in to the hotel does the hotel have an obligation to the guest to provide a service.

Tangible assets

The directors determine whether there are indicators of impairment on the group's tangible assets. In particular since depreciation is not charged on freehold land and buildings the directors assess whether there are indicators of impairment on the freehold land and buildings that would result in a change in the estimate of the residual value of the assets, depreciation method or useful life. Factors taken into consideration in reaching such a decision include changes in market prices and expected future financial performance of the asset.

Property, plant and equipment

Properties that are used, or that the group proposes to use, for the provision of guest accommodation that includes a significant level of ancillary services, such as housekeeping and concierge services, are classified under Property, Plant and Equipment and measured accordingly.

Investment property

The directors review the hotel property held by the group and the intent of holding that property and decide whether it meets the definition of investment property.

In determining the valuation of investment property the directors carry out an annual valuation which is based on market prices and estimates in the local area for similar properties and taking into account the current condition of the property and buoyancy of the property market.

Any changes in fair value of the investment property are reflected in profit or loss for the relevant year.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Property, plant and equipment

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives and residual value the directors assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Investment property

Investment property is stated at fair value based on the valuation performed by the directors who have current knowledge regarding the location and category of property valued. They used observable market prices adjusted as necessary for location and condition of the property.

Impairment of receivables

The group makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the the age profile of receivables, historical experience and the financial position of the debtor.

Inventory provisioning

The group sells wine and spirits which are subject to change in price due to changing consumer demands and trends. As a result the wine and spirits held by the group are reviewed on a regular basis to ensure that the inventory is held at the lower of cost and estimated selling price. This mitigates the need for an inventory provision.

3 Revenue

An analysis of the group's revenue is as follows:

	2021 £	2020 £
Revenue analysed by class of business		
Hotel operations and holiday lets	1,549,138	16,068,931
	<u>1,549,138</u>	<u>16,068,931</u>
	2021 £	2020 £
Other significant revenue		
Interest income	1,462	-
	<u>1,462</u>	<u>-</u>
	2021 £	2020 £
Revenue analysed by geographical market		
United Kingdom	1,325,936	15,945,675
France	223,202	123,256
	<u>1,549,138</u>	<u>16,068,931</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Operating (loss)/profit

	2021 £	2020 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	107,713	(80,196)
Depreciation of owned property, plant and equipment	167,472	145,257
Operating lease charges	25,216	30,527
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor:		
For audit services		
Audit of the financial statements of the group and company	6,900	6,900
Audit of the financial statements of the company's subsidiaries	11,000	19,500
	<u> </u>	<u> </u>
	17,900	26,400
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including executive directors) employed by the group during the year was:

	2021 Number	2020 Number
Management staff	20	22
Other staff	113	199
	<u> </u>	<u> </u>
	133	221
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	3,975,123	6,668,611
Social security costs	415,886	664,038
Pension costs	113,514	135,215
	<u> </u>	<u> </u>
	4,504,523	7,467,864
	<u> </u>	<u> </u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	447,153	867,051
Company pension contributions to defined contribution schemes	27,000	27,000
	<u>474,153</u>	<u>894,051</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	227,810	462,687
Company pension contributions to defined contribution schemes	27,000	27,000
	<u>254,810</u>	<u>489,687</u>

8 Finance costs

	2021 £	2020 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	184,867	152,193
	<u>184,867</u>	<u>152,193</u>

9 Other gains and losses

	2021 £	2020 £
Changes in the fair value of investment properties	(1,661,603)	373,416
	<u>(1,661,603)</u>	<u>373,416</u>

10 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	(563,021)	10,531
Adjustments in respect of prior periods	23,308	12,752
Total current tax	<u>(539,713)</u>	<u>23,283</u>
Deferred tax		
Origination and reversal of timing differences	(334,256)	188,419
Total tax (credit)/charge	<u>(873,969)</u>	<u>211,702</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
(Loss)/profit before taxation	(4,795,663)	563,461
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(911,176)	107,058
Tax effect of expenses that are not deductible in determining taxable profit	3,706	23,319
Unutilised tax losses carried forward	6,303	6,165
Depreciation on assets not qualifying for tax allowances	323	323
Effect of overseas tax rates	3,567	(11,632)
Under/(over) provided in prior years	23,308	12,752
Changes in tax rates	-	73,717
Taxation (credit)/charge	(873,969)	211,702

11 Property, plant and equipment

Group	Land Freehold £	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2020	8,301,822	121,686	1,425,436	28,940	9,877,884
Additions	-	-	12,356	-	12,356
Disposals	-	-	(18,579)	-	(18,579)
Exchange adjustments	(157,142)	-	(10,478)	-	(167,620)
At 31 March 2021	8,144,680	121,686	1,408,735	28,940	9,704,041
Depreciation and impairment					
At 1 April 2020	1,140,399	69,544	855,747	15,224	2,080,914
Depreciation charged in the year	17,255	1,698	145,440	3,079	167,472
Eliminated in respect of disposals	-	-	(18,579)	-	(18,579)
Exchange adjustments	(44,145)	-	(9,249)	-	(53,394)
At 31 March 2021	1,113,509	71,242	973,359	18,303	2,176,413
Carrying amount					
At 31 March 2021	7,031,171	50,444	435,376	10,637	7,527,628
At 31 March 2020	7,161,423	52,142	569,689	13,716	7,796,970

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Property, plant and equipment

(Continued)

Company	Land Freehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020 and 31 March 2021	1,022,445	132,935	16,795	1,172,178
Depreciation and impairment				
At 1 April 2020	8,580	62,261	3,079	73,920
Depreciation charged in the year	-	13,185	3,079	16,264
At 31 March 2021	8,580	75,446	6,158	90,184
Carrying amount				
At 31 March 2021	1,013,865	57,489	10,637	1,081,994
At 31 March 2020	1,013,865	70,674	13,716	1,098,258

The carrying value of land and buildings comprises:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Freehold	4,195,252	4,195,252	1,013,868	1,013,868
Short leasehold	50,444	52,142	-	-
	4,245,696	4,247,394	1,013,868	1,013,868

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Investment property

	Group 2021 £	Company 2021 £
Fair value		
At 1 April 2020 and 31 March 2021	10,361,603	-
Net gains or losses through fair value adjustments	(1,661,603)	-
At 31 March 2021	<u>8,700,000</u>	<u>-</u>

Investment properties comprise 2 & 3 Victoria Square and 7 Grosvenor Gardens Mews East. The fair value of the investment properties has been arrived at on the basis of a professional estate agent valuation by Knight Frank on 12 March 2021. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and taking into account the current condition of the properties at the end of the reporting period.

13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	-	-	86,154	86,154
Loans to subsidiaries	14	-	-	2,783,513	2,989,816
Unlisted investments		100	100	100	100
		<u>100</u>	<u>100</u>	<u>2,869,767</u>	<u>3,076,070</u>

Movements in non-current investments

Group	Investments £
Cost or valuation	
At 1 April 2020 and 31 March 2021	<u>100</u>
Carrying amount	
At 31 March 2021	<u>100</u>
At 31 March 2020	<u>100</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Fixed asset investments

(Continued)

Movements in non-current investments Company

	Shares in subsidiaries £	Loans to subsidiaries £	Other investments £	Total £
Cost or valuation				
At 1 April 2020	86,154	2,989,816	100	3,076,070
Additions	-	14,200	-	14,200
Disposals	-	(184,811)	-	(184,811)
At 31 March 2021	86,154	2,819,205	100	2,905,459
Impairment				
At 1 April 2020	-	-	-	-
Impairment losses	-	35,692	-	35,692
At 31 March 2021	-	35,692	-	35,692
Carrying amount				
At 31 March 2021	86,154	2,783,513	100	2,869,767
At 31 March 2020	86,154	2,989,816	100	3,076,070

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of	% Held	
			shares held	Direct	Indirect
La Maison Goring Sarl	30 Avenue De La Frande Plage, Villa Iduskia, 64210 Bidart, France	Operating Villa Iduskia, France	Ordinary	100.00	-
SNC Le Manoir de Lezurec Spa Goring	Manoir De Lezurec, 29770 Primelin, France	Operating Le Manoir de Lezurec, France	Ordinary	100.00	-
The Goring Hotel Limited	15 Beeston Place, London, United Kingdom, SW1W 0JW	Operating the Goring Hotel, London SW1	Ordinary	100.00	-

The investments in subsidiaries are all stated at cost. All subsidiaries are included in these consolidated financial statements.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Inventories

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	922,860	942,902	-	-

16 Trade and other receivables

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade receivables	2,635	9,303	-	-
Corporation tax recoverable	320,724	189,986	-	-
Other receivables	415,762	418,767	273,996	272,590
Prepayments and accrued income	203,965	242,325	1,699	1,838
	943,086	860,381	275,695	274,428
Amounts falling due after one year:				
Deferred tax asset (note 20)	238,223	-	-	-
	1,181,309	860,381	275,695	274,428

The company has made an interest free unsecured loan of £270,000 (2020 - £270,000) to The Goring Hotel Employees Benefit Trust. This amount is shown within other receivables.

17 Current liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	19	5,631,997	2,174,961	-	-
Trade payables		174,043	313,526	1,078	2,657
Amounts due to group undertakings		-	-	1,152,282	1,341,506
Other taxation and social security		333,472	449,021	24,717	16,520
Other payables		436,090	999,423	28,045	19,627
Accruals and deferred income		201,499	265,812	33,487	20,116
		6,777,101	4,202,743	1,239,609	1,400,426

The group has an overdraft facility of £7,000,000 (2020: £4,000,000) which is secured by way of a fixed charge over all present freehold and leasehold property, in addition to a fixed and floating charge over assets and undertakings of the company both present and future dated 25 September 2006.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Non-current liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	19	2,918,500	2,918,500	-	-

19 Borrowings

		Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans		2,918,500	2,918,500	-	-
Bank overdrafts		5,631,997	2,174,961	-	-
		<u>8,550,497</u>	<u>5,093,461</u>	<u>-</u>	<u>-</u>
Payable within one year		5,631,997	2,174,961	-	-
Payable after one year		<u>2,918,500</u>	<u>2,918,500</u>	<u>-</u>	<u>-</u>

20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Group				
Decelerated capital allowances	38,786	57,337	-	-
Tax losses	-	-	238,223	-
Investment property	457,959	773,663	-	-
	<u>496,745</u>	<u>831,000</u>	<u>238,223</u>	<u>-</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Deferred taxation

(Continued)

	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 1 April 2020	831,000	-
Credit to profit or loss	(572,478)	-
Deferred tax on transfer of asset to group company	-	(115,638)
Liability/(asset) at 31 March 2021	258,522	(115,638)

The deferred tax liability set out above is not expected to reverse within 12 months and relates to revaluations on investment property which are not expected to mature in the foreseeable future.

21 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	113,514	135,215

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	Group and company 2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
15,435 B Ordinary shares of £1 each	15,435	15,435
7,038 A Ordinary shares of £1 each	7,038	7,038
	22,473	22,473

GORING HOLDINGS LIMITED

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

22 Share capital

(Continued)

'A' Ordinary Shares :

'A' Ordinary shareholders are not entitled to receive any dividend or other distributions.

In the event of a winding up of the company the 'A' shareholders are entitled to be paid, out of the surplus assets of the company, the amount paid or credited as paid up on the 'A' shares after the return of all capital paid up or credited as paid up on all other classes of shares in the capital of the company.

'A' shareholders have the right to vote at all general meetings. On a poll, so long as one or more 'A' shares are held by a director or directors the 'A' shares so held shall confer on their holder the right to cast seventy five per cent of all votes attached to 'A' shares capable of being cast and when there is more than one director holding 'A' shares the votes attributable to the 'A' shares shall be divided between such directors on a per capita basis.

'B' Ordinary Shares :

The 'B' shareholders are entitled to be paid out of the profits of the company available for distribution a dividend to be decided upon annually by the directors. The minimum dividend shall never amount to less than ten per cent of the annual profits of the Group available in any one year for distribution.

In winding up, the liquidator may divide among the 'B' shareholders in specie the whole or any part of the assets of the company.

The 'B' shareholders are only entitled to vote at a meeting if any part of the dividend on the 'B' shares is in arrears or a resolution is proposed: to alter the Articles of Association of the company, to vary the rights of any class of share, to wind up the company. In the event of their being entitled to vote the 'B' shareholders have upon a poll one vote for each 'B' share which they hold.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Operating lease commitments

At the reporting period end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	25,505	15,470	-	-
Between two and five years	36,000	60,855	-	-
	<u>61,505</u>	<u>76,325</u>	<u>-</u>	<u>-</u>

24 Directors' transactions

Group

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Loan	-	21,305	41,899	-	-	63,204
		<u>21,305</u>	<u>41,899</u>	<u>-</u>	<u>-</u>	<u>63,204</u>

The loan advanced by the group is unsecured, interest free, and repayable on demand.

25 Cash generated from group operations

	2021 £	2020 £
(Loss)/profit for the year after tax	(3,921,694)	351,759
Adjustments for:		
Taxation (credited)/charged	(873,969)	211,702
Finance costs	184,867	152,193
Investment income	(1,462)	-
Depreciation and impairment of property, plant and equipment	167,472	145,257
Foreign exchange on consolidation	110,778	(76,872)
Other gains and losses	1,661,603	(373,416)
Movements in working capital:		
Decrease/(increase) in inventories	20,042	(8,724)
Decrease in trade and other receivables	49,439	890,320
(Decrease) in trade and other payables	(884,084)	(1,284,095)
Cash (absorbed by)/generated from operations	<u>(3,487,008)</u>	<u>8,124</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Analysis of changes in net debt - group

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash at bank and in hand	119,486	(54,980)	64,506
Bank overdrafts	(2,174,961)	(3,457,036)	(5,631,997)
	<u>(2,055,475)</u>	<u>(3,512,016)</u>	<u>(5,567,491)</u>
Borrowings excluding overdrafts	(2,918,500)	-	(2,918,500)
	<u>(4,973,975)</u>	<u>(3,512,016)</u>	<u>(8,485,991)</u>

27 Analysis of changes in net funds - company

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash at bank and in hand	22,308	(8,385)	13,923