

Company registration number 00220638 (England and Wales)

GORING HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
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London
SW1W 0JW

Auditor Alliotts LLP
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GORING HOLDINGS LIMITED

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GORING HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

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.

It was with delight that we started our financial year with the remnants of the global pandemic disappearing into the distance. We experienced a strong return of international visitors to London and we very much embraced hosting the numerous reunions of friends, families and beyond sharing our special Goring magic to help make some wonderful memories.

The London luxury hospitality market experienced a strong uplift in average room rates and as a result of this shift in market pricing we experienced an unprecedented spike in revenues for the year ended March 2023, exceeding our pre-covid trade.

The Hotel received an exceptional consideration related to the redevelopment of Grosvenor Gardens House, adjacent to the hotel, as particularised in note 4 to the accounts.

We continued, as always, to hone our impeccable service and relentless focus on guest experience.

La Maison Goring, our French subsidiary, 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 post-pandemic spike in market conditions and resultant trade and profitability during this financial year, despite the cost pressures experienced across all areas of the group, the Directors are satisfied with the results detailed in these accounts.

GORING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The principal risk and uncertainty facing the group that could have a material effect on the group's business activities is the general economic environment resulting from the post pandemic recovery, high inflation and rising interest rates, due to its close alignment with the performance of the hospitality industry. Adverse economic conditions worldwide could have a material effect on the performance of the group. The group also recognises that there is continued and increasing pressure on the business from the increase 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.

Development and performance

In spite of the risks highlighted, many of which the company faces each year, the group has successfully curtailed the impact of the post pandemic world, cost of living crises, high inflation and interest rate hikes on the overall hotel performance. As a result of swift and strategic decision making by the management team, adjusting to these ever changing and continued economic demands, we are satisfied the company is in a strong position to continue its journey in the 2023-24 financial year and beyond.

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 group is in a strong 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.

GORING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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
- Nurturing of our existing accolades and awards

The group's trading subsidiaries have met all of the above despite the extreme challenges experienced during the financial year.

In terms of financial performance indicators:

A steady increase in gross profit margin of 2.64% (2023: 87.33%; 2022: 84.69) occurred and due to the 64.2% increase in turnover the gross profit increased to £15,365,172 (2022: £9,070,518).

Administrative expenses are higher (2023: £13,009,918; 2022: £8,802,999) reflecting the return to full hotel operations, increased headcount and general cost inflations across all areas of the group operations.

Net assets increased by 37.6% (2023: £11,794,406; 2022: £8,568,592) mainly as a result of the directors investment property upward revaluation by £677,684 and due to the enhanced capital repayments of the term loan during the period, as a result of exceptional trading cash flow in this financial year. Net current assets had a marginal increase to £1,328,996 (2022: £1,324,207).

Future developments

We have experienced a strong bounce back to trade in the last year, mostly driven by the increased average room rates in the London market as well as the return of international travel, resulting in the group returning to profitability.

We remain focused on delivering exceptional experiences, all over the hotel, and continue to curate those special moments and memories we know our guests all appreciate and cherish. We will continue our acute focus on staff training and retention ensuring we deliver the exquisite and personal level of service to which our guests are accustomed.

London experienced a continuation of the strong average room rates over the summer season of 2023 and as a result we have seen trade exceed the same period last year. We do however anticipate trade to slow down over the coming months. Despite this, we are still expecting the group to return a profit for the year ended March 2024.

We furthermore anticipate a steady performance for our other two subsidiaries, La Maison Goring and The RBC, with the self-catering and medium term rental market expected to be in high demand.

On behalf of the board

J.C.R. Goring Esq.

Director

15 November 2023

GORING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the group continued to be that of operating The Goring Hotel, London SW1, The Chapel, Cornwall and Villa Idzuckia, 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 ;
- prepare the 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.

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.

GORING HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

On behalf of the board

J.C.R. Goring Esq.

Director

15 November 2023

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 2023 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 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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.

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.

GORING HOLDINGS LIMITED

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

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 their 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 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 parent 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

GORING HOLDINGS LIMITED

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

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.

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

16 November 2023

Chartered Accountants
Statutory Auditor

Manfield House
1 Southampton Street
London
WC2R 0LR

GORING HOLDINGS LIMITED

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Revenue	3	17,593,451	10,710,080
Cost of sales		(2,228,279)	(1,639,562)
Gross profit		15,365,172	9,070,518
Administrative expenses		(13,009,918)	(8,802,999)
Other operating income		1,426,688	199,192
Operating profit	5	3,781,942	466,711
Finance costs	9	(347,143)	(232,450)
Other gains and losses	10	677,684	366,316
Profit before taxation		4,112,483	600,577
Tax on profit	11	(890,428)	(235,283)
Profit for the financial year		3,222,055	365,294

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 2023

	2023 £	2022 £
Profit for the year	3,222,055	365,294
Other comprehensive income		
Currency translation gain/(loss) taken to retained earnings	3,759	(759)
Total comprehensive income for the year	<u>3,225,814</u>	<u>364,535</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 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Property, plant and equipment	12	7,694,967		7,200,837	
Investment properties	13	9,744,000		9,066,316	
Investments	14	100		100	
		17,439,067		16,267,253	
Current assets					
Inventories	16	901,523		934,281	
Trade and other receivables	17	2,647,047		1,900,132	
Cash at bank and in hand		632,252		897,535	
		4,180,822		3,731,948	
Current liabilities	18	(2,851,826)		(2,407,741)	
Net current assets		1,328,996		1,324,207	
Total assets less current liabilities		18,768,063		17,591,460	
Non-current liabilities	19	(5,675,000)		(8,125,000)	
Provisions for liabilities	21	(1,298,657)		(897,868)	
Net assets		11,794,406		8,568,592	
Equity					
Called up share capital	24	22,473		22,473	
Revaluation reserve		2,842,294		2,353,680	
Capital redemption reserve		42,779		42,779	
Retained earnings		8,886,860		6,149,660	
Total equity		11,794,406		8,568,592	

The financial statements were approved by the board of directors and authorised for issue on 15 November 2023 and are signed on its behalf by:

J.C.R. Goring Esq.
Director

GORING HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed assets			
Property, plant and equipment	12	1,054,242	1,065,342
Investments	14	2,094,355	2,164,420
		<u>3,148,597</u>	<u>3,229,762</u>
Current assets			
Trade and other receivables	17	275,320	274,675
Cash at bank and in hand		13,522	20,895
		<u>288,842</u>	<u>295,570</u>
Current liabilities	18	(463,302)	(515,004)
Net current liabilities		<u>(174,460)</u>	<u>(219,434)</u>
Total assets less current liabilities		<u>2,974,137</u>	<u>3,010,328</u>
Provisions for liabilities	22	(5,825)	-
Net assets		<u><u>2,968,312</u></u>	<u><u>3,010,328</u></u>
Equity			
Called up share capital	24	22,473	22,473
Capital redemption reserve		42,779	42,779
Retained earnings		2,903,060	2,945,076
Total equity		<u><u>2,968,312</u></u>	<u><u>3,010,328</u></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 £42,016 (2022- £8,558 profit).

The financial statements were approved by the board of directors and authorised for issue on 15 November 2023 and are signed on its behalf by:

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 2023

	Share capital	Revaluation reserve	Capital redemption reserve	Retained earnings	Total
	£	£	£	£	£
Balance at 1 April 2021	22,473	2,223,562	42,779	5,915,243	8,204,057
Year ended 31 March 2022:					
Profit for the year	-	-	-	365,294	365,294
Other comprehensive income:					
Currency translation differences	-	-	-	(759)	(759)
Total comprehensive income	-	-	-	364,535	364,535
Transfers	-	130,118	-	(130,118)	-
Balance at 31 March 2022	22,473	2,353,680	42,779	6,149,660	8,568,592
Year ended 31 March 2023:					
Profit for the year	-	-	-	3,222,055	3,222,055
Other comprehensive income:					
Currency translation differences	-	-	-	3,759	3,759
Total comprehensive income	-	-	-	3,225,814	3,225,814
Transfers	-	488,614	-	(488,614)	-
Balance at 31 March 2023	22,473	2,842,294	42,779	8,886,860	11,794,406

GORING HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Capital redemption reserve	Retained earnings	Total
	£	£	£	£
Balance at 1 April 2021	22,473	42,779	2,936,518	3,001,770
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	8,558	8,558
Balance at 31 March 2022	22,473	42,779	2,945,076	3,010,328
Year ended 31 March 2023:				
Profit and total comprehensive income	-	-	(42,016)	(42,016)
Balance at 31 March 2023	22,473	42,779	2,903,060	2,968,312

GORING HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	27	2,797,531	555,999
Interest paid		(347,143)	(232,450)
Income taxes refunded/(paid)		275,596	-
Net cash inflow from operating activities		<u>2,725,984</u>	<u>323,549</u>
Investing activities			
Purchase of property, plant and equipment		(531,329)	(44,433)
Proceeds on disposal of property, plant and equipment		-	669,472
Net cash (used in)/generated from investing activities		<u>(531,329)</u>	<u>625,039</u>
Financing activities			
New bank loans		(2,450,000)	5,506,500
Net cash (used in)/generated from financing activities		<u>(2,450,000)</u>	<u>5,506,500</u>
Net (decrease)/increase in cash and cash equivalents		<u>(255,345)</u>	<u>6,455,088</u>
Cash and cash equivalents at beginning of year		887,597	(5,567,491)
Cash and cash equivalents at end of year		<u>632,252</u>	<u>887,597</u>
Relating to:			
Cash at bank and in hand		632,252	897,535
Bank overdrafts included in creditors payable within one year		-	(9,938)

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 £42,016 (2022- £8,558 profit).

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.

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.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

All financial statements are made up to 31 March 2023. 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.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

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.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

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.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

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.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

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 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.15 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.

1.16 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.

1.17 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.

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 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 2023

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 2023

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.

Legal provision

The company makes an estimate of the provision for legal disputes based on the estimated settlement costs and any legal fees following advice by legal experts. When assessing legal disputes, management considers the likelihood of incurring the expenditure and the fees for similar cases.

3 Revenue

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

	2023	2022
	£	£
Revenue analysed by class of business		
Hotel operations and holiday lets	17,593,451	10,710,080
	<u>17,593,451</u>	<u>10,710,080</u>
	2023	2022
	£	£
Revenue analysed by geographical market		
United Kingdom	17,412,758	10,595,844
France	180,693	114,236
	<u>17,593,451</u>	<u>10,710,080</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Exceptional item

	2023	2022
	£	£
Income		
Exceptional item - Other operating income	1,426,688	-

Consideration in relation to a variation of the terms of the Hotblack Agreement dated 3rd April 2013 in relation to Grosvenor Gardens House

5 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(105,111)	30,988
Depreciation of owned property, plant and equipment	147,171	147,207
Profit on disposal of property, plant and equipment	-	(470,403)
Operating lease charges	32,548	28,635

6 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor:		
For audit services		
Audit of the financial statements of the group and company	12,100	12,825
Audit of the financial statements of the company's subsidiaries	22,000	16,030
	34,100	28,855

7 Employees

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

	2023	2022
	Number	Number
Management staff	21	23
Other staff	154	117
	175	140

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Employees (Continued)

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	6,134,267	5,097,789
Social security costs	718,862	548,235
Pension costs	146,876	126,049
	<u>7,000,005</u>	<u>5,772,073</u>

8 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	670,472	569,506
Company pension contributions to defined contribution schemes	39,150	38,167
	<u>709,622</u>	<u>607,673</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 2).

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

	2023 £	2022 £
Remuneration for qualifying services	<u>325,821</u>	<u>268,017</u>

9 Finance costs

	2023 £	2022 £
Interest on bank overdrafts and loans	<u>347,143</u>	<u>232,450</u>

10 Other gains and losses

	2023 £	2022 £
Changes in the fair value of investment properties	<u>677,684</u>	<u>366,316</u>

11 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	<u>63,079</u>	<u>22,497</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Taxation

(Continued)

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	470,789	212,786
Write down or reversal of write down of deferred tax asset	356,560	-
Total deferred tax	827,349	212,786
Total tax charge	890,428	235,283

The standard rate of corporation tax in the UK has been 19% with effect from 1 April 2017. Accordingly, the company's results for this accounting period are taxed at 19%.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

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

	2023 £	2022 £
Profit before taxation	4,112,483	600,577
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	781,372	114,110
Tax effect of expenses that are not deductible in determining taxable profit	37,761	172
Tax effect of utilisation of tax losses not previously recognised	-	(87,422)
Change in unrecognised deferred tax assets	11,043	212,786
Adjustments in respect of prior years	6,908	-
Effect of change in corporation tax rate	95,997	-
Effect of overseas tax rates	(42,653)	(4,363)
Taxation charge	890,428	235,283

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Property, plant and equipment

Group	Land Freehold	Land and buildings Leasehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	6,825,125	121,686	1,190,674	16,795	8,154,280
Additions	-	-	531,329	-	531,329
Exchange adjustments	109,972	-	-	-	109,972
At 31 March 2023	6,935,097	121,686	1,722,003	16,795	8,795,581
Depreciation and impairment					
At 1 April 2022	12,857	72,940	858,129	9,517	953,443
Depreciation charged in the year	-	1,698	142,114	3,359	147,171
At 31 March 2023	12,857	74,638	1,000,243	12,876	1,100,614
Carrying amount					
At 31 March 2023	6,922,240	47,048	721,760	3,919	7,694,967
At 31 March 2022	6,812,268	48,746	332,545	7,278	7,200,837
Company					
	Land Freehold	Fixtures, fittings & equipment	Motor vehicles	Total	
	£	£	£	£	
Cost					
At 1 April 2022	1,022,448	132,935	16,795	1,172,178	
Additions	-	6,004	-	6,004	
At 31 March 2023	1,022,448	138,939	16,795	1,178,182	
Depreciation and impairment					
At 1 April 2022	8,580	88,739	9,517	106,836	
Depreciation charged in the year	-	13,745	3,359	17,104	
At 31 March 2023	8,580	102,484	12,876	123,940	
Carrying amount					
At 31 March 2023	1,013,868	36,455	3,919	1,054,242	
At 31 March 2022	1,013,868	44,196	7,278	1,065,342	

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Property, plant and equipment

(Continued)

The carrying value of land and buildings comprises:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Freehold	4,203,832	4,203,832	1,022,448	1,022,448
Short leasehold	47,048	48,746	-	-
	<u>4,250,880</u>	<u>4,252,578</u>	<u>1,022,448</u>	<u>1,022,448</u>

13 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 April 2022 and 31 March 2023	9,066,316	-
Net gains or losses through fair value adjustments	677,684	-
	<u>9,744,000</u>	<u>-</u>
At 31 March 2023	<u>9,744,000</u>	<u>-</u>

Investment properties comprise 2 & 3 Victoria Square and 7 Grosvenor Gardens Mews East. The fair value of 3 Victoria Square has been arrived at on the basis of a professional estate agent valuation by Lambert Smith Hampton on 26 September 2023. The remaining properties were then valued using the same uplift per square meter. 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.

14 Fixed asset investments

		Group 2023 £	2022 £	Company 2023 £	2022 £
	Notes				
Investments in subsidiaries	15	-	-	85,134	86,154
Loans to subsidiaries	15	-	-	2,009,121	2,078,166
Unlisted investments		100	100	100	100
		<u>100</u>	<u>100</u>	<u>2,094,355</u>	<u>2,164,420</u>

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments

(Continued)

Movements in non-current investments

Group

Investments

£

Cost or valuation

At 1 April 2022 and 31 March 2023

100

Carrying amount

At 31 March 2023

100

At 31 March 2022

100

Movements in non-current investments

Company

Shares in
subsidiaries
£

Loans to
subsidiaries
£

Other
investments
£

Total
£

Cost or valuation

At 1 April 2022

86,154

2,078,166

100

2,164,420

Disposals

(1,020)

(69,045)

-

(70,065)

At 31 March 2023

85,134

2,009,121

100

2,094,355

Carrying amount

At 31 March 2023

85,134

2,009,121

100

2,094,355

At 31 March 2022

86,154

2,078,166

100

2,164,420

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
La Maison Goring Sarl	30 Avenue De La Frande Plage, Villa Iduskia, 64210 Bidart, France	Operating Villa Iduskia, Ordinary France		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.

16 Inventories

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	901,523	934,281	-	-

17 Trade and other receivables

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade receivables	214,913	356,529	2,718	-
Corporation tax recoverable	22,631	298,227	-	-
Other receivables	2,110,830	613,382	271,080	273,475
Prepayments and accrued income	298,673	275,434	1,522	1,200
	<u>2,647,047</u>	<u>1,543,572</u>	<u>275,320</u>	<u>274,675</u>
Amounts falling due after one year:				
Deferred tax asset (note 22)	-	356,560	-	-
	<u>-</u>	<u>356,560</u>	<u>-</u>	<u>-</u>
Total debtors	<u>2,647,047</u>	<u>1,900,132</u>	<u>275,320</u>	<u>274,675</u>

The company has an interest free unsecured loan of £270,000 (2022 - £270,000) to The Goring Hotel Employees Benefit Trust. This amount is shown within other receivables.

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Current liabilities

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	20	300,000	309,938	-	-
Trade payables		903,157	441,289	1,586	1,604
Amounts due to group undertakings		-	-	402,413	437,153
Corporation tax payable		63,079	-	-	-
Other taxation and social security		264,693	499,645	31,983	30,921
Other payables		786,981	772,753	5,123	30,814
Accruals and deferred income		533,916	384,116	22,197	14,512
		<u>2,851,826</u>	<u>2,407,741</u>	<u>463,302</u>	<u>515,004</u>

The group has an overdraft facility of £1,750,000 (2022: £1,750,000) 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.

19 Non-current liabilities

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	20	<u>5,675,000</u>	<u>8,125,000</u>	<u>-</u>	<u>-</u>

The Goring Hotel Limited re-paid the original mortgage taken out with HSBC in full on 10 December 2021 in order to re-finance. The new mortgage of £8,500,000 was taken out on 10 December 2021. Interest is charged on the loan at 2.85% above base rate and is re-payable in quarterly instalments of £75,000 until the termination date at which time the remaining balance must be re-paid in full.

The loan is secured over the assets of the company through a legal mortgage over the property, a fixed charge over key assets and a floating charge over all other assets.

20 Borrowings

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	5,975,000	8,425,000	-	-
Bank overdrafts	-	9,938	-	-
	<u>5,975,000</u>	<u>8,434,938</u>	<u>-</u>	<u>-</u>
Payable within one year	300,000	309,938	-	-
Payable after one year	5,675,000	8,125,000	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Provision for legal settlement	-	70,000	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Movements on provisions:				
				Total
Group				£

22 Deferred taxation

	Liabilities	Liabilities	Assets	Assets
	2023	2022	2023	2022
Group	£	£	£	£
Decelerated capital allowances	78,407	133,711	-	-
Tax losses	-	-	-	356,560
Investment property	863,578	694,157	-	-
Rolled over gains	356,672	-	-	-
	<u>1,298,657</u>	<u>827,868</u>	<u>-</u>	<u>356,560</u>
	<u><u>1,298,657</u></u>	<u><u>827,868</u></u>	<u><u>-</u></u>	<u><u>356,560</u></u>
	Liabilities	Liabilities	Assets	Assets
	2023	2022	2023	2022
Company	£	£	£	£
Decelerated capital allowances	5,825	-	-	-
	<u>5,825</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>5,825</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
			Group	Company
			2023	2023
			£	£
Movements in the year:				
Liability at 1 April 2022			471,308	-
Charge to profit or loss			827,349	5,825
			<u>1,298,657</u>	<u>5,825</u>
Liability at 31 March 2023			1,298,657	5,825

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Deferred taxation

(Continued)

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.

23 Retirement benefit schemes

	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	146,876	126,049

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.

24 Share capital

	Group and company	
	2023	2022
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
	<u>22,473</u>	<u>22,473</u>

'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 2023

25 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 2023 £	2022 £	Company 2023 £	2022 £
Within one year	33,107	17,504	-	-
Between two and five years	47,572	8,414	-	-
	<u>80,679</u>	<u>25,918</u>	<u>-</u>	<u>-</u>

26 Directors' transactions

Group

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Directors loan	-	82,824	1,969	-	-	84,793
		<u>82,824</u>	<u>1,969</u>	<u>-</u>	<u>-</u>	<u>84,793</u>

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

GORING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

27 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	3,222,055	365,294
Adjustments for:		
Taxation charged	890,428	235,283
Finance costs	347,143	232,450
Gain on disposal of property, plant and equipment	-	(470,403)
Depreciation and impairment of property, plant and equipment	147,171	147,207
Foreign exchange on consolidation	(106,213)	24,189
Other gains and losses	(677,684)	(366,316)
(Decrease)/increase in provisions	(70,000)	70,000
Movements in working capital:		
Decrease/(increase) in inventories	32,758	(11,421)
(Increase) in trade and other receivables	(1,380,632)	(624,338)
Increase in trade and other payables	392,505	954,054
Cash generated from operations	2,797,531	555,999

28 Analysis of changes in net debt - group

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	897,535	(265,283)	632,252
Bank overdrafts	(9,938)	9,938	-
	<u>887,597</u>	<u>(255,345)</u>	<u>632,252</u>
Borrowings excluding overdrafts	(8,425,000)	2,450,000	(5,975,000)
	<u>(7,537,403)</u>	<u>2,194,655</u>	<u>(5,342,748)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.