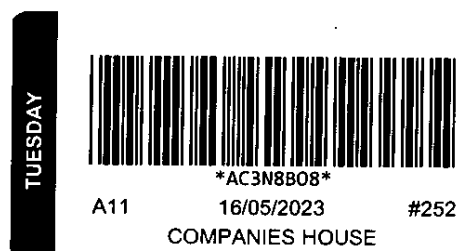


**CORNSHIRE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**



**CORNSHIRE LIMITED**

**COMPANY INFORMATION**

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<b>DIRECTOR</b>	H C Moreton
<b>REGISTERED NUMBER</b>	02211622
<b>REGISTERED OFFICE</b>	Studio 5 Rowditch Business Centre 282 Uttoxeter New Road Derby Derbyshire DE22 3LN
<b>INDEPENDENT AUDITORS</b>	Bishop Fleming LLP Chartered Accountants & Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

## **CORN\$HIRE LIMITED**

### **CONTENTS**

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	Page
<b>Group strategic report</b>	1 - 3
<b>Director's report</b>	4 - 5
<b>Director's responsibilities statement</b>	6
<b>Independent auditors' report</b>	7 - 10
<b>Consolidated statement of comprehensive income</b>	11
<b>Consolidated statement of financial position</b>	12
<b>Company statement of financial position</b>	13
<b>Consolidated statement of changes in equity</b>	14
<b>Company statement of changes in equity</b>	15
<b>Consolidated statement of cash flows</b>	16 - 17
<b>Consolidated analysis of net debt</b>	18
<b>Notes to the financial statements</b>	19 - 39
The following pages do not form part of the statutory financial statements:	
<b>Company detailed profit and loss account and summaries</b>	40 - 41

## **CORNSHIRE LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021**

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#### **REVIEW OF THE BUSINESS**

The principal activities of the group during the year were the provision of entertainment and hospitality activities via adult gaming centres, family entertainment centres and restaurant with ancillary takeaways and kiosks.

The directors are pleased with the performance for the year ended 30 November 2021, especially considering the impact of the Covid-19 pandemic. Due to the pandemic, the UK Government imposed a national lockdown, which severely impacted the Group's ability to trade until March 2021 when a phased exit from lockdown commenced. During the lockdown periods the directors had improvised to allow minimal trading where permitted by the Government guidelines. Once Government restrictions had been fully lifted, the trading position of the Group was very positive with increased consumer confidence allied with a full opening of the venues that had been purchased during the pandemic but had yet to be able to fully trade.

During the year under review, the Group received various Government and Local Authority Grants which went some way to alleviating the loss of profits caused by the Covid-19 pandemic. The Group also received Business Interruption insurance pay outs relating to an earlier period when all trading had ceased due to Government restrictions. During the year, the Group also received notification of the successful resolution of two long-term cases with HMRC, which had been pursued by industry bodies. The result of these judgments meant that following the end of the year, the Group received re-payments from HMRC totaling nearly £1.4m and £1.7m in total.

All of the above contributed to the positive result achieved in the year.

#### **KEY PERFORMANCE INDICATORS**

The directors use turnover and EBITDA as they key performance indicators for the Group. Turnover is the key driver for the Group and is monitored weekly during season and bi-weekly or monthly out of season.

Turnover for the year ended 30 November 2021 was £6,894,838 compared to £4,022,735 for the year ended 30 November 2020. The increase is attributable to the full opening of the new venues, together with Government restrictions having a lesser impact in the latter year. The directors continue to innovate to increase footfall, to maximise revenues across every venue and every aspect of the business.

EBITDA for the year ended 30 November 2021 was £3,899,282 compared to £627,319 for the year ended 30 November 2020, the increase was due to grant received as well as the favourable outcome of the historic VAT and Duty cases referred to above. Further details are also included in note 5 to the financial statements.e. The directors continue to explore every avenue in an attempt to keep overheads at manageable levels and look to fix costs if believed to be in the long term interests of the Group.

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

**Overview**

The execution of the group's strategy and the management of the business are subject to a number of potential risks, the occurrence of any one of which, may adversely impact on the group's performance. Such risks, and the actions in place to mitigate their potential adverse impact on the group are detailed below:

**The legislative and regulatory environment**

The betting and gaming industry has, in recent years, undergone significant legislative and regulatory change in the UK. including for example, the introduction of the Gambling Act 2005 and the implementation of bans on smoking in public places. The company uses a licensing expert to advise on any changes to the legislation and ensures any required action is carried out as required.

**Competition**

The group operates in a competitive market from both:

- independent AGC and other gaming and betting operators; and
- leisure activities/product offerings from other businesses in the leisure sector.

To mitigate this risk, staff are trained to provide excellent customer service and managers trained to ensure the highest levels of efficiency, professionalism and cleanliness are maintained at all sites, at all times.

**Interest rate risk**

The company does not actively engage in the trading of financial assets and has no financial derivatives.

**Liquidity risk**

Liquidity risk is the risk that cash may not be available to pay obligations when they fall due. Cash flow forecasts identifying the liquidity requirements of the group are produced and reviewed regularly to ensure the Group has sufficient financial resources for at least the forthcoming twelve month period, where any shortfalls are identified measures are taken to attempt to prevent the situation from arising. The company strives to ensure that external funding is available at short notice in the event of any cash shortfalls and since the year end has successfully negotiated overdraft facilities with one of the Groups bankers to ensure any shortfalls identified in the budgets are covered.

**Credit risk**

Credit risk is the risk that a counterparty will be unable to pay amounts in full when they fall due. As the trading business operates predominantly on a cash basis with its customers, the risk of bad debts is small. Major sales of old equipment are made on a part exchange basis to businesses that are also suppliers of the group, this way trade debtors can be offset against trade creditors, reducing the risk on debtors.

**General economic environment**

The disposable income of customers and their confidence and willingness to spend money on their leisure activity preferences are, and will, be affected by the general economic environment. The group strives to ensure its facilities, and activities on offer, provide value for money and meet its customers' needs.

**Seasonality**

A significant amount of the company's income generated via the Family Entertainment Centres and Restaurants is during the school holidays. The company supplements this income with Adult Gaming Centres which are not so susceptible to seasonality and, therefore, ensure continuous cash flows for the company through the winter.

**FUTURE DEVELOPMENTS**

Since the year end, the Group has disposed of its main trading sites in the Devon and Norfolk regions, this has allowed the Group to build up a large amount of cash reserves to enable it to add to the remaining portfolio and take advantage of any opportunities that could arise from the current cost of living crisis. The directors continue to monitor the market for vacant units with the potential for conversion into Adult Gaming Centres. In the meantime, the Group has deposited the funds on the Treasury Reserve to ensure a sufficient rate of return is being achieved.

The Group continues to invest in its machine estate and furnishings to ensure the best customer offering available.


CORNSHIRE LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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This report was approved by the board on 27/4/23 and signed on its behalf.

**H C Moreton**  
Director

A handwritten signature in black ink, appearing to read 'H.C. Moreton', written over a light blue horizontal line.

## **CORNSHIRE LIMITED**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021**

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The director presents his report and the financial statements for the year ended 30 November 2021.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation and minority interests, amounted to £2,022,200 (2020: loss £213,701).

#### **DIRECTOR**

The director who served during the year was:

H C Moreton

#### **GOING CONCERN**

The directors have prepared the financial statements on the going concern basis. Further details are provided in the notes to the financial statements.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

#### **POST BALANCE SHEET EVENTS**

As disclosed in note 29 of these financial statement, after the balance sheet date of 30 November 2021 there has been the following events requiring disclosure:

- During January 2022, the transfer of assets occurred between two subsidiary companies, namely Stade Developments (Hastings) Limited and ACM Leisure limited. The assets, plant & machinery and goodwill, were transferred at their current NBV, therefore have no financial impact on the consolidated financial statements.
- During March 2022 the Group disposed of subsidiary companies, Paignton Pier Leisure Limited and Paignton Pier Chippy Limited to a unconnected party.
- During June 2022, the Group disposed of a subsidiary, Torquay Gaming Limited to an unconnected party.
- During November 2022, the Group disposed of a subsidiary, C.H.S (Amusements) Limited to an unconnected party.
- The gross consideration for these transactions amounted to £11,700,000.
- During July 2022, Cornshire Limited sold its shares in Sea Shell Holdings Limited to the directors of that company, the shares were sold at par value.

#### **AUDITORS**

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

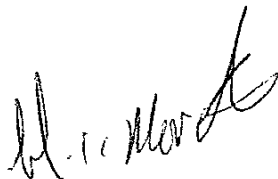
**CORNSHIRE LIMITED**

**DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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

**H C Moreton**  
Director



Date: 27/4/23

Studio 5 Rowditch Business Centre  
282 Uttoxeter New Road  
Derby  
Derbyshire  
DE22 3LN



## **CORNSHIRE LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2021**

---

The director is responsible for preparing the Group strategic report, the Director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

## **CORNSHIRE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNSHIRE LIMITED**

---

#### **QUALIFIED OPINION**

We have audited the financial statements of Cornshire Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 November 2021, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity, Consolidated analysis of net debt and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Except for the matters described in the basis for qualified opinion section, in our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 November 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **BASIS FOR QUALIFIED OPINION**

As described in the other matters paragraph below, the comparative figures within these financial statements have not been audited. As we were not appointed at the time, we did not observe the physical counting of inventories or cash as at 30 November 2020. We were unable to satisfy ourselves by alternative means concerning the inventory quantities or cash balances held at 30 November 2020, which are included in the comparative balance sheet at £165,589 and £325,121 respectively, by using other audit procedures. Consequently we were unable to determine whether any adjustment to these amounts was necessary or whether there was any consequential effect on the Consolidated Statement of comprehensive income for the year ended 30 November 2021.

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

#### **CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the 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 director with respect to going concern are described in the relevant sections of this report.

## **CORNSHIRE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNSHIRE LIMITED (CONTINUED)**

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#### **OTHER INFORMATION**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The director is 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £165,589 and cash value of £325,121 held at 30 November 2020. We have concluded that where the other information refers to the inventory or cash balance or related balances such as cost of sales, it may be materially misstated for the same reason.

#### **QUALIFIED OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

Except for the matter described in the Basis for qualified opinion on other matters prescribed by the Companies Act 2006 section of our report, in our opinion, based on the work undertaken in the course of the audit, the information given in the Group strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

Except for the potential material misstatement described in the Basis for qualified opinion on other matters prescribed by the Companies Act 2006 section of our report, 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 Group strategic report and the Director's report.

Arising solely from the limitation on the scope of our work relating to inventory and cash referred to above:

- We have not obtained all the information and explanations that we consider necessary for the purposes of our audit; and
- We were unable to determine whether adequate accounting records have been kept.

We 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:

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

#### **RESPONSIBILITIES OF DIRECTOR'S**

As explained more fully in the Director's responsibilities statement set out on page 6, the director is 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 director determines 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 director is responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## CORNSHIRE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNSHIRE LIMITED (CONTINUED)

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#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- the nature of the sector, control environment and the Parent Company's and Group's performance;
- the results of our enquiries of management and the directors, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group and Parent Company's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the Parent Company and Group for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, and identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group and Parent company operate in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group and Parent Company's ability to operate or to avoid a material penalty. These included, Gambling Commission licensing requirements, occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following for the Parent Company and its subsidiaries, as was considered appropriate:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of directors and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of director meetings; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of

## CORNSHIRE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNSHIRE LIMITED (CONTINUED)

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journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

#### OTHER MATTERS

The comparative figures within these financial statements have not been audited, as the Group and Parent Company took advantage of the exemption under s477 of the Companies Act 2006 for the year ended 30 November 2020.

#### USE OF OUR REPORT

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

Mark Munro FCA (Senior statutory auditor)  
for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS  
Date:

**CORNSHIRE LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
Turnover	4	6,894,838	4,022,735
Cost of sales		(2,615,914)	(1,712,476)
<b>GROSS PROFIT</b>		<b>4,278,924</b>	<b>2,310,259</b>
Administrative expenses		(4,171,007)	(2,600,388)
Other operating income	5	2,847,764	291,303
<b>OPERATING PROFIT</b>		<b>2,955,681</b>	<b>1,174</b>
Amounts written off on disposal		81,285	(122,500)
Interest receivable and similar income	10	7,841	49,918
Interest payable and similar expenses	11	(9,329)	(49,907)
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>3,035,478</b>	<b>(121,315)</b>
Tax on profit/(loss)	12	(759,500)	(100,551)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>2,275,978</b>	<b>(221,866)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>2,275,978</b>	<b>(221,866)</b>
<b>PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>			
Non-controlling interests		253,778	(8,165)
Owners of the parent Company		2,022,200	(213,701)
		<b>2,275,978</b>	<b>(221,866)</b>

The notes on pages 19 to 39 form part of these financial statements.

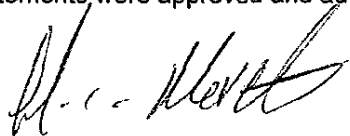
**CORNSHIRE LIMITED**  
**REGISTERED NUMBER:02211622**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	14	793,906	1,020,013
Tangible assets	15	7,500,448	6,794,373
Investments	16	9,799	9,799
Investment property		734,865	-
		<u>9,039,018</u>	<u>7,824,185</u>
<b>CURRENT ASSETS</b>			
Stocks	18	355,024	169,589
Debtors: amounts falling due within one year	19	2,535,405	931,619
Cash at bank and in hand	20	2,179,770	3,116,176
		<u>5,070,199</u>	<u>4,217,384</u>
Creditors: amounts falling due within one year	21	(1,977,915)	(1,731,927)
<b>NET CURRENT ASSETS</b>		<u>3,092,284</u>	<u>2,485,457</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>12,131,302</u>	<u>10,309,642</u>
Creditors: amounts falling due after more than one year	22	(167,725)	(755,324)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	24	(798,630)	(533,349)
<b>NET ASSETS</b>		<u><u>11,164,947</u></u>	<u><u>9,020,969</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	20,000	20,000
Share premium account	26	37,809	37,809
Other reserves	26	3,800,000	3,800,000
Profit and loss account	26	6,972,433	5,082,233
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY</b>		<u>10,830,242</u>	<u>8,940,042</u>
Non-controlling interests		334,705	80,927
		<u><u>11,164,947</u></u>	<u><u>9,020,969</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

H C Moreton  
Director



Date: 27/4/23

The notes on pages 19 to 39 form part of these financial statements.

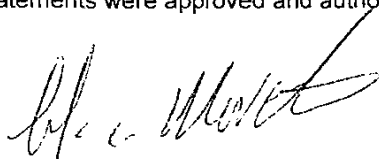
**CORNISHIRE LIMITED**  
**REGISTERED NUMBER:02211622**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Investments	16	4,216,168	4,216,173
Investment Property	17	734,865	-
		<u>4,951,033</u>	<u>4,216,173</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	19	4,033,157	3,089,247
Cash at bank and in hand	20	1,097,534	2,329,426
		<u>5,130,691</u>	<u>5,418,673</u>
Creditors: amounts falling due within one year	21	(749,188)	(445,558)
<b>NET CURRENT ASSETS</b>		<u>4,381,503</u>	<u>4,973,115</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,332,536</u>	<u>9,189,288</u>
<b>NET ASSETS</b>		<u>9,332,536</u>	<u>9,189,288</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	20,000	20,000
Share premium account	26	37,809	37,809
Other reserves	26	3,800,000	3,800,000
Profit and loss account brought forward		5,331,479	5,416,934
Profit for the year		234,248	35,545
Other changes in the profit and loss account		(91,000)	(121,000)
Profit and loss account carried forward		<u>5,474,727</u>	<u>5,331,479</u>
		<u>9,332,536</u>	<u>9,189,288</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

H C Moreton  
Director



Date: 27/4/23

The notes on pages 19 to 39 form part of these financial statements.



**CORNSHIRE LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
<b>At 1 December 2019</b>	20,000	37,809	3,800,000	5,416,934	9,274,743	89,092	9,363,835
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>							
Loss for the year	-	-	-	(213,701)	(213,701)	(8,165)	(221,866)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>							
Dividends	-	-	-	(213,701)	(213,701)	(8,165)	(221,866)
	-	-	-	(121,000)	(121,000)	-	(121,000)
<b>TOTAL TRANSACTIONS WITH OWNERS</b>							
	-	-	-	(121,000)	(121,000)	-	(121,000)
<b>At 1 December 2020</b>	20,000	37,809	3,800,000	5,082,233	8,940,042	80,927	9,020,969
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>							
Profit for the year	-	-	-	2,022,200	2,022,200	253,778	2,275,978
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>							
Dividends	-	-	-	2,022,200	2,022,200	253,778	2,275,978
	-	-	-	(132,000)	(132,000)	-	(132,000)
<b>TOTAL TRANSACTIONS WITH OWNERS</b>							
	-	-	-	(132,000)	(132,000)	-	(132,000)
<b>AT 30 NOVEMBER 2021</b>	20,000	37,809	3,800,000	6,972,433	10,830,242	334,705	11,164,947

The notes on pages 19 to 39 form part of these financial statements.

**CORNSHIRE LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 December 2019</b>	20,000	37,809	3,800,000	5,416,934	9,274,743
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>					
Profit for the year	-	-	-	35,545	35,545
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>					
Dividends	-	-	-	35,545	35,545
<b>TOTAL TRANSACTIONS WITH OWNERS</b>				(121,000)	(121,000)
<b>At 1 December 2020</b>	-	-	-	(121,000)	(121,000)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>					
Profit for the year	20,000	37,809	3,800,000	5,331,479	9,189,288
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>					
Dividends	-	-	-	234,248	234,248
<b>TOTAL TRANSACTIONS WITH OWNERS</b>				(91,000)	(91,000)
<b>AT 30 NOVEMBER 2021</b>	20,000	37,809	3,800,000	5,474,727	9,332,536

The notes on pages 19 to 39 form part of these financial statements.

**CORNSHIRE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	2021 £	2020 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) for the year	2,275,978	(221,866)
<b>ADJUSTMENTS FOR:</b>		
Amortisation of intangible assets	166,054	161,285
Depreciation of tangible assets	844,264	464,860
Impairments of fixed assets	-	122,500
Loss/(profit) on disposal of fixed assets	109,430	(12,168)
Interest paid	9,329	49,907
Interest received	(7,841)	(49,918)
Taxation charge	759,500	100,551
(Increase) in stocks	(185,435)	(3,255)
(Increase) in debtors	(1,603,786)	(433,193)
(Decrease) in creditors	(416,134)	(76,791)
Corporation tax (paid)	(13,657)	(47,000)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>1,937,702</b>	<b>54,912</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible fixed assets	(2,023,150)	(2,034,329)
Sale of tangible fixed assets	484,234	101,772
Purchase of investment properties	(734,865)	-
Interest received	7,841	49,918
Acquisition of subsidiaries	-	(1,310,350)
Cash on acquisition of subsidiary	-	47,266
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(2,265,940)</b>	<b>(3,145,723)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New secured loans	-	400,000
Repayment of loans	(420,574)	(4,648)
Repayment of leases	(46,265)	(35,159)
Dividends paid	(132,000)	(121,000)
Interest paid	(9,329)	(45,270)
HP interest paid	-	(4,637)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(608,168)</b>	<b>189,286</b>
<b>(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(936,406)</b>	<b>(2,901,525)</b>
Cash and cash equivalents at beginning of year	3,116,176	6,017,701
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>2,179,770</b>	<b>3,116,176</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:</b>		

**CORNSHIRE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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	2021 £	2020 £
Cash at bank and in hand	2,179,770	3,116,176
	<u>2,179,770</u>	<u>3,116,176</u>

The notes on pages 19 to 39 form part of these financial statements.

**CORNSHIRE LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	At 1 December 2020 £	Cash flows £	New finance leases £	At 30 November 2021 £
Cash at bank and in hand	3,116,176	(936,406)	-	2,179,770
Debt due after 1 year	(449,060)	412,599	-	(36,461)
Debt due within 1 year	(17,581)	7,975	-	(9,606)
Finance leases	(41,423)	46,265	(60,800)	(55,958)
	<u>2,608,112</u>	<u>(469,567)</u>	<u>(60,800)</u>	<u>2,077,745</u>

The notes on pages 19 to 39 form part of these financial statements.

## **CORNSHIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

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#### **1. GENERAL INFORMATION**

Cornshire Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. Cornshire Limited is a holding company and does not trade in its own right. The address of the Company's registered office is Studio 5 Rowditch Business Centre, 282 Uttoxeter New Road, Derby, DE22 3LN, England, United Kingdom.

The principal activity of the Group during the financial year was other amusement and recreation activities as well as operating licensed restaurants.

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

##### **2.2 BASIS OF CONSOLIDATION**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 December 2014.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.3 GOING CONCERN**

The Group achieved a profit before tax of £3,035,478, with healthy net assets in the Group of £11,164,947 at the balance sheet date.

Forecasts have been made for all of the trading entities and, despite the increases in energy prices and the increase to minimum wage, all entities are still forecast to be profitable over the next 12 month period.

Following the post year-end sale of the Group's sites at Hunstanton and Paignton (as detailed in note 29), the Group has cash reserves in excess of £14m and these funds, plus support from the directors, will be available for any periods where the subsidiary company cash flows are insufficient to pay debts as and when they fall due, this would only be expected during the winter and early spring months.

On this basis the director has prepared the Group financial statements on the going concern basis.

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

**Sale of goods**

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

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

**Rendering of services**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 OTHER OPERATING INCOME AND GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

Other operating income also includes amounts repaid by HMRC in relation to previously overpaid VAT and machine gaming duty as this is not considered to represent the underlying turnover of the Group.

**2.6 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 FINANCE COSTS**

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

**2.8 BORROWING COSTS**

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

**2.9 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.10 CURRENT AND DEFERRED TAXATION**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.11 INTANGIBLE ASSETS**

**GOODWILL**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated statement of comprehensive income over its useful economic life of 10 years.

**2.12 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## **CORNSHIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

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## **2. ACCOUNTING POLICIES (continued)**

### **2.12 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 2% straight-line
Long-term leasehold property	- over the term of the lease
Plant and machinery	- 15-20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### **2.13 INVESTMENT PROPERTY**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

The investment property held within the financial statements was acquiring in the year, therefore it is the belief of the director that the cost to acquire represents the fair value of the property.

### **2.14 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

### **2.15 STOCKS**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### **2.16 DEBTORS**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. ACCOUNTING POLICIES (continued)**

**2.17 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.18 CREDITORS**

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

**2.19 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.20 FINANCIAL INSTRUMENTS**

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

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

**2.21 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## CORNSHIRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

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#### 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

##### **Carrying value of Investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where there is any indication that investments may be impaired, the carrying value is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds recoverable amount. The recoverable amount of investments is calculated using discounted future cash flows forecasts.

##### **Carrying value of Goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### **Residual values and useful economic lives of tangible assets**

The annual depreciation charge is sensitive to any changes in the estimated useful life and residual values of tangible assets.

The residual value is the net realisable value of an asset at the end of its useful economic life. The directors have taken an assessment of the residual values that are appropriate for the business and reviews this assessment annually. The useful economic lives and residual value are amended only when evidence shows a change in the estimated economic lives or residual life. Criteria used to assess the economic life and residual value includes technological advancement, economic utilisation, physical condition of the asset and future investments.

Significant changes to the estimate of residual values or asset lives would impact the depreciation charge in the future periods.

#### 4. TURNOVER

	2021 £	2020 £
Turnover	<u>6,894,838</u>	<u>4,022,735</u>

All turnover arose within the United Kingdom.

# **CORNSHIRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

### **5. OTHER OPERATING INCOME**

	2021 £	2020 £
Other operating income	122,629	96,951
Government grants receivable	401,309	194,352
Insurance claims receivable	651,064	-
Historic claims income	1,672,762	-
	<u>2,847,764</u>	<u>291,303</u>

Included in other operating income are amounts received from HMRC following the determination of historic VAT and Duty cases received from HMRC in relation to the findings of the Rank case, for overpaid machine duty between 2007 and 2013. The director has chosen to recognise the full amounts plus interest in other operating income as he does not consider the income to represent the underlying turnover of the Group.

### **6. OPERATING PROFIT**

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation	844,264	464,860
Amortisation	166,054	161,285
Loss/(profit) on disposal of fixed assets	109,430	(12,168)
	<u>1,119,748</u>	<u>613,977</u>

### **7. AUDITORS' REMUNERATION**

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	45,000	-

#### **FEES PAYABLE TO THE GROUP'S AUDITOR AND ITS ASSOCIATES IN RESPECT OF:**

All other services, including accounts preparation, tax compliance and other tax advisory	40,000	23,250
	<u>40,000</u>	<u>23,250</u>

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**8. EMPLOYEES**

Staff costs, including director's remuneration, were as follows:

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Wages and salaries	<b>2,022,430</b>	1,204,301	-	-
Social security costs	<b>142,843</b>	91,374	-	-
Cost of defined contribution scheme	<b>29,496</b>	18,676	-	-
	<b><u>2,194,769</u></b>	<b><u>1,314,351</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

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

	<b>2021 No.</b>	<b>2020 No.</b>
Staff	<b><u>75</u></b>	<b><u>51</u></b>

**9. DIRECTOR'S REMUNERATION**

	<b>2021 £</b>	<b>2020 £</b>
Director's emoluments	<b>8,824</b>	8,725
	<b><u>8,824</u></b>	<b><u>8,725</u></b>

During the year retirement benefits were accruing to no directors (2020:NIL) in respect of defined contribution pension schemes.

**10. INTEREST RECEIVABLE**

	<b>2021 £</b>	<b>2020 £</b>
Other interest receivable	<b>7,841</b>	49,918
	<b><u>7,841</u></b>	<b><u>49,918</u></b>

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**11. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021 £	2020 £
Bank interest payable	4,098	327
Other loan interest payable	843	44,943
Other interest payable	4,388	4,637
	<u>9,329</u>	<u>49,907</u>

**12. TAXATION**

	2021 £	2020 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	405,540	56,756
Adjustments in respect of previous periods	86,441	-
<b>TOTAL CURRENT TAX</b>	<u>491,981</u>	<u>56,756</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	(37,095)	20,584
Changes to tax rates	207,043	23,211
Adjustments in respect of prior periods	97,571	-
<b>TOTAL DEFERRED TAX</b>	<u>267,519</u>	<u>43,795</u>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>759,500</u>	<u>100,551</u>

**CORNSHIRE LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021****12. TAXATION (CONTINUED)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<b>3,035,478</b>	(121,315)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	<b>576,741</b>	(23,050)
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>14,888</b>	12,942
Fixed asset differences	<b>22,193</b>	25,733
Adjustments to tax charge in respect of prior periods	<b>(6,917)</b>	-
Adjustments to tax charge in respect of prior periods - deferred tax	<b>97,571</b>	-
Remeasurement of deferred tax for changes in tax rates	<b>191,114</b>	56,891
Movement in deferred tax not recognised	<b>(13,631)</b>	4,843
Capital gains/(losses)	<b>(102,560)</b>	5,843
Other tax charge (relief)	<b>(19,899)</b>	17,349
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<b>759,500</b>	100,551

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

From April 2023 onwards, the main rate of corporation tax will increase from 19% to 25%.

**13. DIVIDENDS**

	2021 £	2020 £
Dividends paid	<b>132,000</b>	121,000
	<b>132,000</b>	121,000



**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**14. INTANGIBLE ASSETS**

**Group and Company**

	<b>Goodwill £</b>
<b>COST</b>	
At 1 December 2020	1,914,419
Disposals	(60,053)
	<hr/>
At 30 November 2021	1,854,366
	<hr/>
<b>AMORTISATION</b>	
At 1 December 2020	894,406
Charge for the year	166,054
	<hr/>
At 30 November 2021	1,060,460
	<hr/>
<b>NET BOOK VALUE</b>	
At 30 November 2021	793,906
	<hr/> <hr/>
At 30 November 2020	1,020,013
	<hr/> <hr/>

**CORNISHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**15. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>COST OR VALUATION</b>							
At 1 December 2020	4,213,188	242,502	3,463,044	73,967	1,265,804	121,212	9,379,717
Additions	6,754	382,583	989,558	-	663,394	41,662	2,083,951
Disposals	-	(17,759)	(661,881)	-	(240,550)	-	(920,190)
At 30 November 2021	4,219,942	607,326	3,790,721	73,967	1,688,648	162,874	10,543,478
<b>DEPRECIATION</b>							
At 1 December 2020	47,839	27,309	1,509,808	57,696	856,622	86,070	2,585,344
Charge for the year	48,795	26,244	527,102	4,068	219,492	18,563	844,264
Disposals	-	(1,192)	(144,836)	-	(240,550)	-	(386,578)
At 30 November 2021	96,634	52,361	1,892,074	61,764	835,564	104,633	3,043,030
<b>NET BOOK VALUE</b>							
At 30 November 2021	4,123,308	554,965	1,898,647	12,203	853,084	58,241	7,500,448
At 30 November 2020	4,165,349	215,193	1,953,236	16,271	409,182	35,142	6,794,373

**CORNSHIRE LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021****15. TANGIBLE FIXED ASSETS (CONTINUED)**

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Freehold	4,123,308	4,165,350
Long leasehold	554,965	(195,700)
	<u>4,678,273</u>	<u>3,969,650</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	43,755	25,152
Motor vehicles	12,203	16,271
	<u>55,958</u>	<u>41,423</u>

**16. FIXED ASSET INVESTMENTS****Group**

	Investments in associated companies £
<b>COST OR VALUATION</b>	
At 1 December 2020	9,799
At 30 November 2021	<u>9,799</u>

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**16. FIXED ASSET INVESTMENTS (CONTINUED)**

**Company**

	<b>Investments in subsidiary companies £</b>
<b>COST OR VALUATION</b>	
At 1 December 2020	<b>4,216,173</b>
Disposals	<b>(5)</b>
At 30 November 2021	<b><u>4,216,168</u></b>

**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Paignton Pier Leisure Limited	Ordinary	100%
Stade Developments (Hastings) Limited	Ordinary	100%
C.H.S (Amusements) Limited	Ordinary	100%
Torquay Gaming Limited	Ordinary	100%
Sea Shell Holdings Limited	Ordinary	51%
The Paignton Pier Chippy Co Limited	Ordinary	51%
Pier Point Torquay Limited	Ordinary	51%
ACM Leisure Limited	Ordinary	51%
Showboat Leisure Limited	Ordinary	51%
The Candy Bar Limited	Ordinary	51%

The registered office for the subsidiaries is as follows: Studio 5 Rowditch Business Centre, 282 Uttoxeter New Road, Derby, Derbyshire, England, DE22 3LN.

All subsidiaries are exempt from audit under section 479a of the Companies Act 2006.

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**17. INVESTMENT PROPERTY**

**Group and Company**

	<b>Freehold investment property £</b>
<b>COST</b>	
Additions at cost	734,865
<b>AT 30 NOVEMBER 2021</b>	<b>734,865</b>

All of the Group's investment properties are held in the Parent company

The director considers the purchase price of the property to represent its fair value as it was acquired within 12 months of the balance sheet date.

**18. STOCKS**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Stock prizes	350,322	162,735
Food & drink stock	4,702	6,854

**19. DEBTORS**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Trade debtors	345,604	37,084	-	-
Amounts owed by group undertakings	-	-	4,027,802	3,048,611
Other debtors	466,909	373,241	270	-
Prepayments and accrued income	1,669,207	467,609	5,085	40,636
Tax recoverable	53,685	53,685	-	-
	<b>2,535,405</b>	<b>931,619</b>	<b>4,033,157</b>	<b>3,089,247</b>

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**20. CASH AND CASH EQUIVALENTS**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Cash at bank and in hand	<b>2,179,770</b>	3,116,176	<b>1,097,534</b>	2,329,426

**21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Bank loans	<b>9,606</b>	17,581	-	-
Trade creditors	<b>779,855</b>	922,132	-	-
Amounts owed to group undertakings	-	-	<b>702,009</b>	200,100
Corporation tax	<b>532,434</b>	51,872	<b>44,511</b>	8,487
Other taxation and social security	<b>209,249</b>	381,334	-	234,621
Obligations under finance lease and hire purchase contracts	<b>49,694</b>	35,159	-	-
Other creditors	<b>291,516</b>	203,108	-	100
Accruals and deferred income	<b>105,561</b>	120,741	<b>2,668</b>	2,250
	<b>1,977,915</b>	1,731,927	<b>749,188</b>	445,558

Finance lease and hire purchase liabilities are secured against the assets to which they relate.

**22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Bank loans	<b>36,461</b>	449,060
Net obligations under finance leases and hire purchase contracts	<b>6,264</b>	6,264
Other creditors	<b>125,000</b>	300,000
	<b>167,725</b>	755,324

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**23. LOANS**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	<b>9,606</b>	17,581
	<b>9,606</b>	17,581
<b>AMOUNTS FALLING DUE 1-2 YEARS</b>		
Bank loans	<b>9,606</b>	59,089
	<b>9,606</b>	59,089
<b>AMOUNTS FALLING DUE 2-5 YEARS</b>		
Bank loans	<b>26,855</b>	389,971
	<b>26,855</b>	389,971
	<b>46,067</b>	466,641

Interest is charged at 2.5% and the loan is repayable over a 6 year term.

**CORNSHIRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**24. DEFERRED TAXATION**

**Group**

	2021 £
At beginning of year	(533,349)
Charged to profit or loss	(265,281)
<b>AT END OF YEAR</b>	<b>(798,630)</b>
	<b>Group 2021</b>
	<b>£</b>
Accelerated capital allowances	(798,630)
	<b>(798,630)</b>
	<b>Group 2020</b>
	<b>£</b>
	(533,349)
	<b>(533,349)</b>

**25. SHARE CAPITAL**

	2021 £	2020 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
20,000 (2020:20,000) Share capital shares of £1.00 each	20,000	20,000

**26. RESERVES**

**Share premium account**

This reserve represents the difference between the nominal value and the market value of the shares which were acquired into the Group.

**Other reserves**

This reserve represents the difference between the nominal value of shares and the assets transferred from a subsidiary to the parent Company.

**Profit and loss account**

This reserves includes all current and prior retained profits and losses.

**27. PENSION COMMITMENTS**

The Group operates a defined contribution pension scheme for the directors and employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions totalled £29,496 (2020: £18,676). At the year end the owed to the scheme totalled £6,147 (2020: £3,061).



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**28. RELATED PARTY TRANSACTIONS**

The Group is taking advantage of the exemption to disclose transactions between group members, where the subsidiary is wholly owned, as defined in section 33.1A of FRS102.

**Group:**

Included in other debtors is amounts owed to the Group by a director of the Group totalling £267,209 (2020: £197,830), this represents the largest amounts outstanding during the year. Advances totalling £114,000 were made during the year. Interest is charged at 2.5% and the amount is repayable on demand.

Included in other debtors is amounts owed to the Group by a director's of a subsidiary totalling £123,172 (2020: £61,648), this represents the largest amounts outstanding during the year. Advances totalling £108,850 were made during the year. Interest is charged at 2.5% and the amount is repayable on demand.

Included in other creditors is amounts owed by a director to the Group totalling £27,700 (2020: £38,644). Interest is charged at 2.5% and the amount is repayable on demand. The highest amount due in the year was £38,644, with £10,944 being repaid in the year.

A director of a subsidiary company was employed during the year and received remuneration totalling £60,185 (2020: £59,948).

During the year dividends were paid to directors of subsidiary companies totalling £41,000 (2020: £74,000).

The total key management personnel remuneration for the Group was £117,844 (2020: £113,673).

**Company:**

Included in debtors at the year end were amounts due from companies under common control of the directors:

- £1,276,631 (2020: £1,199,995) due from Sea Shell Holdings Limited
- £300,000 (2020: £Nil) due from Pier Point Torquay Limited
- £280,949 (2020: £280,949) due from ACM Leisure Limited

During the year dividends were paid to the director totalling £91,000 (2020: £121,000).

## **CORNSHIRE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

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#### **29. POST BALANCE SHEET EVENTS**

As noted in the Director's Report after the balance sheet date of 30 November 2021 there has been the following events requiring disclosure:

- During January 2022, the transfer of assets occurred between two subsidiary companies, namely Stade Developments (Hastings) Limited and ACM Leisure limited. The assets, plant & machinery and goodwill, were transferred at their current NBV, therefore have no financial impact on the consolidated financial statements.
- During March 2022 the Group disposed of subsidiary companies, Paignton Pier Leisure Limited and Paignton Pier Chippy Limited to a unconnected party.
- During June 2022, the Group disposed of a subsidiary, Torquay Gaming Limited to an unconnected party.
- During November 2022, the Group disposed of a subsidiary, C.H.S (Amusements) Limited to an unconnected party
- The gross consideration for these transactions amounted to £11,700,000.
- During July 2022, Cornshire Limited sold its shares in Sea Shell Holdings Limited to the directors of that company, the shares were sold at par value.

#### **30. CONTROLLING PARTY**

The ultimate controlling party of the Group is Mr H C Moreton.

**CORNSHIRE LIMITED**

**COMPANY DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	2021 £	2020 £
Turnover		3,945	-
<b>GROSS PROFIT</b>		<b>3,945</b>	<b>-</b>
<b>GROSS PROFIT %</b>		<b>100.0 %</b>	<b>0.0 %</b>
Other operating income		234,621	-
<b>LESS: OVERHEADS</b>			
Administration expenses		(4,427)	(3,168)
<b>OPERATING PROFIT/(LOSS)</b>		<b>234,139</b>	<b>(3,168)</b>
Interest receivable		133	47,200
Investment income		36,000	-
Tax on profit/(loss) on ordinary activities		(36,024)	(8,487)
<b>PROFIT FOR THE YEAR</b>		<b>234,248</b>	<b>35,545</b>

**CORNSHIRE LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	<b>2021 £</b>	<b>2020 £</b>
Rent receivable - Domestic	<b>3,945</b>	-
	<b>3,945</b>	-
	<b>2021 £</b>	<b>2020 £</b>
Sundry income	<b>234,621</b>	-
	<b>234,621</b>	-
	<b>2021 £</b>	<b>2020 £</b>
Telephone and fax	<b>336</b>	-
Accountancy fees	<b>2,770</b>	2,990
Bank charges	<b>233</b>	152
Sundry expenses	<b>13</b>	26
Rates	<b>473</b>	-
Light and heat	<b>291</b>	-
Insurances	<b>253</b>	-
Sundry establishment expenses	<b>58</b>	-
	<b>4,427</b>	3,168
	<b>2021 £</b>	<b>2020 £</b>
Other interest receivable	<b>133</b>	47,200
	<b>133</b>	47,200
	<b>2021 £</b>	<b>2020 £</b>
Dividends received - unlisted investments -Interco	<b>36,000</b>	-
	<b>36,000</b>	-