

Company Registration Number 01515256

HOLKER HOLDINGS LIMITED  
FINANCIAL STATEMENTS  
31 MARCH 2023



**ArmstrongWatson®**  
Accountants, Business & Financial Advisers

**HOLKER HOLDINGS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Lord Cavendish Lady Cavendish The Hon Miss Lucy Cavendish Allen Gibb David Sarti Lucy Armstrong Stuart Sims
<b>Registered number</b>	01515256
<b>Registered office</b>	Cavendish House Kirkby-In-Furness Cumbria LA17 7UN
<b>Independent auditor</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors James Watson House Montgomery Way Rosehill Carlisle Cumbria CA1 2UU
<b>Solicitors</b>	Currey & Co LLP 33 Queen Anne Street London W1G 9HY

## **HOLKER HOLDINGS LIMITED**

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## HOLKER HOLDINGS LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors present the strategic report for the year ended 31 March 2023.

The principal activity of the company continued to be that of a holding company, the activities of which include Holker Estates Co. Limited, Cartmel Steeplechases (Holker) Limited, Holbeck Homes Limited and Vitagrass Farms (Holker) Limited.

#### Business review

##### Holiday Parks

Holker Estates Co. Limited operates two private holiday parks; Old Park Wood and Longlands. Situated in the South Lake district, the parks offer breath-taking views and provide the perfect luxury holiday home alongside a unique feeling of space and tranquillity. Across the parks we are keen to invest in the continued development of facilities and infrastructure, and remain committed to providing our residents with an excellent experience. Static caravan sales were strong during the year, however market conditions caused by COVID-19 led to long-lead times on supply of new vans from manufacturers however, by quarter four the pipeline had caught-up, aiding overall revenue and performance.

##### Visitor Attractions

At Holker Hall, the company operates a visitor attraction where guests can immerse themselves in the history and splendour of the Hall and beauty of the Gardens and Parklands. Throughout the year, the picturesque setting hosts a range of unique events, allowing visitors to absorb Holker's rich heritage whilst offering an unforgettable day out. Visitor numbers and revenues have remained strong in the current year despite economic pressures on discretionary spend. The objective of Holker's visitor services operation is to provide guests with captivating experiences which will in-turn drive growth in visitor numbers.

##### Property Portfolio

The estate manages a diverse property portfolio, including residential properties, commercial buildings, and land investments. Occupancy levels are consistently around 100% with a low turnover of tenants. We have made significant additional investment in property repairs throughout the year, and remain committed to improving property standards in the future. The objectives of the property entity are:

- To provide South Lakes residents with quality housing in a market saturated by holiday lets.
- Capital appreciation through effective maintenance and property value growth.
- Maintaining rental values in line with market benchmarks.

##### Horse Racing Operations

Cartmel Steeplechases (Holker) Limited operates an award-winning summer jumps race track, hosting 9 race days across the summer. The course is well supported by horse racing stakeholders as it offers sporting opportunity in the north of the country, and in turn supports trainers and owners through the summer months.

This year, revenues improved as the removal of Covid restrictions allowed us to welcome visitors back to Cartmel without restriction. We continually seek to:

- Enhance the customer experience, catering for all consumer types, offering a unique summer-time race day event.
- Improve the quality of racing on offer and pursue the participation of leading names in the sport, whilst gaining strong sponsorship from valued partners.

##### Property Development

Holbeck Homes continues the process of pursuing planning consents at a number of development sites, and we anticipate revenue will come on stream towards the end of 2023/24 financial year. Building at the Burlington Rise development in Kirkby-in-Furness began in January 2023.

## **HOLKER HOLDINGS LIMITED**

### **GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **Farming**

Holker's in-hand farming operation performed well with an increase in revenue. Vitagrass benefited from higher crop prices due to a shortage of supply, resulting in an improved overall performance, despite substantial increases in input costs. We continue to develop the quality of our in-hand land whilst improving our fixed infrastructure and this will lead to increased yields in future.

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

The principal risks and uncertainties to the business primarily relate to the continuing external economic pressures along with high inflation and increased interest rates. This situation poses a risk to our visitor activity and drives additional costs into the business.

Changes in consumer preferences and travel patterns may create future uncertainty within the Southern Lake District leisure and tourism sectors.

*Climatic conditions can have a significant impact upon our tourism and leisure operations. Sustainability regulations also drive risk into our Letting portfolio. It is clear that climate change and government carbon reduction commitments will create further medium and long-term uncertainty and financial pressure.*

We take a bottom up approach to risk management and identification in the business. Significant risks are continually reviewed by the executive team, enabling us to remain fluid and react quickly to legislative changes and market conditions.

#### **Financial Performance and Key Financial Indicators**

During the reporting period, the Group delivered strong financial performance across its business segments. Total revenue increased by 20.5% compared to the previous year, aided by growth in static van sales, improvements in rents and increased visitor numbers at Cartmel and Holker Hall.

The gross profit margin decreased from 63.3% to 58%, a result of a change in the sales mix with growth across the segments noted above. Growth in revenue increased absolute gross profit by £586k.

Improvements in revenues and gross profit were offset by a 12.6% increase in administration costs. A strategic decision to increase investment in the upkeep of our property portfolio for the long-term benefit of our residents whilst maintaining capital value was the driver of the increased cost. The operating loss of the group was £231k compared to an operating profit of £330k in the previous year.

## HOLKER HOLDINGS LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### Future developments

*We continue to build upon the Holker brand taking value from the strong foundations laid in prior years. Whilst new economic challenges to the hospitality and tourism sectors exist, we are well positioned and continue to put customers, staff, local stakeholders and the environment first in terms of our decision making.*

The Group recognises its pivotal role in supporting and developing the interests of the local and wider community, and the strength of the underlying business is key in maintaining, supporting and growing both local and regional residential and business ventures.

Tourism is key to the South Lake District and wider Cumbrian economy and in order to further define the Holker footprint, our tourism and leisure strategy remains under constant review. Quality, service and value will be at the forefront of everything we do as the business seeks to deliver a fantastic programme of events across the wider Estate. The Holker Group is proud of its roots in the Cartmel Peninsula and will continue to invest in people, infrastructure, assets and community relationships.

As we move further into the new financial year, we are optimistic that we can improve visitor numbers for our horse racing operations. Our leisure businesses continue to provide an excellent experience and visitor numbers to the garden and cafe have been maintained.

Management continue their focus on developing plans to further improve caravan park infrastructure and develop the tourism business in the core estate.

Development activities for Holbeck Homes Limited are now taking shape, with building underway at Burlington Rise, situated in Kirkby-in-Furness. We continue significant work to bring forward new developments and obtain detailed planning consents.

The Holker Group takes stewardship of its environment seriously, recognising the natural capital and habitats that we manage for all. We have appointed an 'Environment and Sustainability Manager' and are working with a leading consultancy firm to determine our carbon footprint. We will add reporting and KPI's on sustainability and environment to our next annual report in 2024. This will report progress to date and our ambitions for the future. Holker Holdings Limited Directors are confident that prospects for the business remain extremely positive.

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



.....  
**Allen Gibb**  
Director

Date: 13/12/2023

## **HOLKER HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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

#### **Principal activity**

The principal activity of the company continued to be that of a holding company.

The activities of the group included the operation of Holker Hall and Gardens, the letting and management of domestic, industrial and agricultural land, holiday park management, operation of a horse racecourse, conference and events facility, house building and farming.

#### **Results and dividends**

The profit for the year, after taxation and minority interests, amounted to £79,733 (2022 - £173,214).

No dividends had been paid or declared during the year.

#### **Directors**

The directors who served during the year were:

Lord Cavendish  
Lady Cavendish  
The Hon Miss Lucy Cavendish  
Allen Gibb  
David Sarti  
Lucy Armstrong  
Stuart Sims

#### **Financial instruments**

##### **Financial Risk**

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of the bank balance, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

#### **Disclosure of information to auditor**

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

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

**HOLKER HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Auditor**

The auditor, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....  
**Allen Gibb**  
Director

Date: 13/12/2023



## **HOLKER HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2023**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

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

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

## **HOLKER HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLKER HOLDINGS LIMITED**

#### **Opinion**

We have audited the financial statements of Holker Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of 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 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 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 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 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.

## **HOLKER HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLKER HOLDINGS LIMITED (CONTINUED)**

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

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

- the information given in the Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **HOLKER HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLKER HOLDINGS LIMITED (CONTINUED)**

#### **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 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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;
- we assessed the extent of compliance with the laws and regulations identified above through making enquires of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non compliance throughout audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquires of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations

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

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- reviewed the application of accounting policies, particularly in relation to those judgemental or uncertain areas 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;
- enquiring of management as to actual and potential litigation and claims.

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 Auditor's report.

**HOLKER HOLDINGS LIMITED**

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

**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.

*Armstrong Watson Audit Limited*

Joanna Gray (Senior statutory auditor)  
for and on behalf of  
**Armstrong Watson Audit Limited**  
Chartered Accountants & Statutory Auditors  
Carlisle  
Date: 18-12-2023

HOLKER HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	4	10,727,043	8,901,679
Cost of sales		(4,509,635)	(3,270,702)
<b>Gross profit</b>		<b>6,217,408</b>	<b>5,630,977</b>
Administrative expenses		(5,992,860)	(5,320,100)
Exceptional administrative expenses	13	-	(154,500)
Other operating income	5	6,968	173,347
<b>Operating profit</b>	6	<b>231,516</b>	<b>329,724</b>
Other gains and losses		4,151	95,335
Interest receivable and similar income	10	52,726	40,012
Interest payable and similar expenses	11	(59,375)	(52,406)
<b>Profit before taxation</b>		<b>229,018</b>	<b>412,665</b>
Tax on profit	12	(120,596)	(197,166)
<b>Profit for the financial year</b>		<b>108,422</b>	<b>215,499</b>
<b>Total comprehensive income for the year</b>		<b>108,422</b>	<b>215,499</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		28,689	42,285
Owners of the parent Company		79,733	173,214
		<b>108,422</b>	<b>215,499</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interest		28,689	42,285
Owners of the parent Company		79,733	173,214
		<b>108,422</b>	<b>215,499</b>

The notes on pages 19 to 44 form part of these financial statements.

**HOLKER HOLDINGS LIMITED**  
**REGISTERED NUMBER: 01515256**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	14	21,131	-
Tangible assets	15	3,707,736	3,443,613
Investments	16	20,564	845,567
Investment property	17	1,240,000	1,195,000
		<u>4,989,431</u>	<u>5,484,180</u>
<b>Current assets</b>			
Stocks	18	3,220,422	2,026,961
Debtors: amounts falling due after more than one year	19	803,688	1,175,000
Debtors: amounts falling due within one year	19	1,881,829	1,085,011
Cash at bank and in hand	20	1,810,589	1,724,994
		<u>7,716,528</u>	<u>6,011,966</u>
Creditors: amounts falling due within one year	21	(4,692,112)	(4,992,174)
<b>Net current assets</b>		<u>3,024,416</u>	<u>1,019,792</u>
<b>Total assets less current liabilities</b>		<u>8,013,847</u>	<u>6,503,972</u>
Creditors: amounts falling due after more than one year	22	(1,823,872)	(431,690)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(379,470)	(284,320)
Other provisions	25	(126,200)	(154,500)
		<u>(505,670)</u>	<u>(438,820)</u>
Government grants		(133,921)	(191,500)
<b>Net assets</b>		<u><u>5,550,384</u></u>	<u><u>5,441,962</u></u>
<b>Capital and reserves</b>			
Called up share capital	27	512,476	512,476
Share premium account	28	17,142	17,142
Profit and loss account	28	4,781,438	4,701,705
<b>Equity attributable to owners of the parent Company</b>		<u>5,311,056</u>	<u>5,231,323</u>
Non-controlling interests		239,328	210,639
		<u><u>5,550,384</u></u>	<u><u>5,441,962</u></u>

**HOLKER HOLDINGS LIMITED**  
**REGISTERED NUMBER: 01515256**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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



.....  
**Allen Gibb**  
Director



.....  
**Stuart Sims**  
Director

Date: 13/12/2023

The notes on pages 19 to 44 form part of these financial statements.





**HOLKER HOLDINGS LIMITED**  
**REGISTERED NUMBER: 01515256**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	16	486,366	486,366
		<u>486,366</u>	<u>486,366</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	19	27,982	-
Cash at bank and in hand	20	68,570	121,843
		<u>96,552</u>	<u>121,843</u>
Creditors: amounts falling due within one year	21	(68,568)	(93,859)
<b>Net current assets</b>		<u>27,984</u>	<u>27,984</u>
<b>Total assets less current liabilities</b>		<u>514,350</u>	<u>514,350</u>
<b>Net assets</b>		<u>514,350</u>	<u>514,350</u>
<b>Capital and reserves</b>			
Called up share capital	27	512,476	512,476
Profit and loss account	28	1,874	1,874
		<u>514,350</u>	<u>514,350</u>

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

  
 .....  
**Allen Gibb**  
 Director

  
 .....  
**Stuart Sims**  
 Director

Date: 13/12/2023

The notes on pages 19 to 44 form part of these financial statements.

**HOLKER HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Equity attributable to owners of parent Company</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
	£	£	£	£	£	£
<b>At 1 April 2021</b>	<b>512,476</b>	<b>17,142</b>	<b>4,528,491</b>	<b>5,058,109</b>	<b>168,354</b>	<b>5,226,463</b>
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	173,214	173,214	42,285	215,499
<b>At 1 April 2022</b>	<b>512,476</b>	<b>17,142</b>	<b>4,701,705</b>	<b>5,231,323</b>	<b>210,639</b>	<b>5,441,962</b>
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	79,733	79,733	28,689	108,422
<b>At 31 March 2023</b>	<b>512,476</b>	<b>17,142</b>	<b>4,781,438</b>	<b>5,311,056</b>	<b>239,328</b>	<b>5,550,384</b>

The notes on pages 19 to 44 form part of these financial statements.

**HOLKER HOLDINGS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 April 2021</b>	<b>512,476</b>	<b>1,874</b>	<b>514,350</b>
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>At 1 April 2022</b>	<b>512,476</b>	<b>1,874</b>	<b>514,350</b>
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2023</b>	<b>512,476</b>	<b>1,874</b>	<b>514,350</b>
	<hr/>	<hr/>	<hr/>

The notes on pages 19 to 44 form part of these financial statements.

HOLKER HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	108,422	215,499
<b>Adjustments for:</b>		
Amortisation of intangible assets	1,202	-
Depreciation of tangible assets	319,113	303,396
Loss on disposal of tangible assets	1,762	3,884
Government grants	(57,579)	(57,964)
Interest paid	59,375	-
Interest received	(52,726)	(40,012)
Taxation charge	120,596	197,166
(Increase) in stocks	(1,193,459)	(413,056)
Decrease/(increase) in debtors	194,829	(186,485)
(Increase)/decrease in amounts owed by related parties	(618,383)	-
(Decrease)/increase in creditors	(684,730)	692,172
Increase/(decrease) in amounts owed to related parties	548,411	-
(Decrease)/increase in provisions	(28,300)	154,500
Net fair value (gains) recognised in P&L	(150,615)	(95,335)
Corporation tax (paid)	(105,393)	(102,454)
<b>Net cash generated from operating activities</b>	<b>(1,537,475)</b>	<b>671,317</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(22,333)	-
Purchase of tangible fixed assets	(604,412)	(265,880)
Sale of tangible fixed assets	19,393	59,291
New loans to group undertakings	-	(674,713)
Group undertakings loans repaid	-	519,011
Purchase of unlisted and other investments	(76,158)	(198,965)
Sale of unlisted and other investments	1,006,776	195,997
Interest received	52,726	31,186
Income from investments	-	(6,440)
Dividends received	-	8,826
<b>Net cash from investing activities</b>	<b>375,992</b>	<b>(331,687)</b>

HOLKER HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
<b>Cash flows from financing activities</b>		
New secured loans	800,000	200,000
Repayment of loans	(285,096)	(50,549)
Other new loans	1,013,000	-
Repayment of other loans	-	(26,778)
Repayment of/new finance leases	-	(694)
Interest paid	(59,375)	-
<b>Net cash used in financing activities</b>	<b>1,468,529</b>	<b>121,979</b>
<b>Net increase in cash and cash equivalents</b>	<b>307,046</b>	<b>461,609</b>
Cash and cash equivalents at beginning of year	631,391	169,782
<b>Cash and cash equivalents at the end of year</b>	<b>938,437</b>	<b>631,391</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	1,810,589	1,724,993
Bank overdrafts	(872,152)	(1,093,602)
	<b>938,437</b>	<b>631,391</b>

## **HOLKER HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

Holker Holdings Limited ("the company") is a limited company incorporated in England and Wales. The registered office is Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN.

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

#### **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 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 and certain financial instruments 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.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 2. Accounting policies (continued)

### 2.2 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, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company Holker Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

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.

### 2.3 Going concern

During the financial year, no COVID-19 restrictions were imposed on any of our operations. However, we remain vigilant, and are able to react quickly and decisively putting our customers and staff first should the need arise to put restriction in place in the future.

In making our assessment, the directors have considered current and future cash flow forecasts, as well as other relevant information. These forecasts take into account the following key factors:

- Historical performance
- Available funding
- *Cost management*
- Customer and supplier relationships
- Economic climate, industry outlook and volatility.

While the directors are confident in the Group's ability to continue as a going concern, they recognise that there are inherent uncertainties in the business environment, including economic conditions, market competition, and unforeseen events such as the COVID-19 pandemic. The directors are committed to closely monitoring these factors and taking necessary actions to ensure the Group's continued viability.

On the basis of the Group's forecasts and having confirmed the continuing financial support of the wider group and associated entities, the Directors have formed the judgement that, at the time of approving the financial statements, there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.4 Turnover

Turnover represents amounts receivable from caravan sales, visitor income, race day and grandstand events, grants towards prize money, property sales, crop and livestock sales and rents receivable net of VAT.

Turnover from caravan sales, visitor income and caravan rents are recognised when the company obtains the right to consideration or over the period to which the income relates. Turnover from race day and grandstand events and grants towards prize money is recognised on the date the event takes place. Crop and livestock turnover is recognised at the point of sale. Rental income is recognised on a straight line basis over the period of the lease.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.6 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.

##### 2.7 Interest income

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

##### 2.8 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.

##### 2.9 Borrowing costs

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

##### 2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.



## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.11 Intangible fixed assets other than goodwill

Amounts paid in respect of the group's acquisition of intangible assets are written off in equal annual instalments over their estimated useful economic life.

Intangible assets are Basic Payment entitlements and are recognised at the date of purchase and reviewed annually for impairment.

##### 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings Freehold	- 0% - 10% straight line
Leasehold improvements	- 2% - 33% straight line
Plant and machinery	- 10% - 33% straight line
Motor vehicles	- 17% - 25% straight line
Assets under construction	- Not depreciated

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, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

##### 2.14 Fixed asset investments

Equity instruments are measured at fair value through profit or loss except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities 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.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.15 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks 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.

Stocks comprising of biological assets are measured at the lower of cost of production and estimated selling price less costs to sell.

##### 2.16 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.

##### 2.17 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 balance sheet 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 Balance sheet.

##### 2.18 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 balance sheet 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 debtors, 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.

###### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.18 Financial instruments (continued)

###### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end 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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 creditors 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

###### **Derecognition of financial liabilities**

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

##### 2.19 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.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.20 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 profit and loss account 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 end date.

###### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### 2.21 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.

##### 2.22 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 fixed 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.

##### 2.23 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.24 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

##### 2.25 Grants

Capital grants are received from the Horserace Betting Levy Board (HBLB) in respect of capital expenditure.

Capital grants received are credited to accruals and deferred income. Credits are released to the profit and loss account by equal annual instalments over 20 years which on average match the period over which the assets are depreciated.

Grants received from HBLB to subsidise race day expenditure are recognised in the profit and loss account in the period in which the related expenditure is incurred.

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

The group received income during the year from both the Environmental Stewardship and Basic Payment Schemes.

The Basic Payment Scheme income is recognised once all conditions attached to the Basic Payment Scheme have been met. Income from Environmental Stewardship Schemes is recognised on an accruals basis throughout the period of the Scheme.

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**3. Judgments in applying accounting policies 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.

**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.

**Provisions**

Provision is made for bad and doubtful debts and obsolete stock. These provisions require management's best estimate of the recoverability of trade debtors and the expected future use of stock.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Caravan parks, estate management and house opening	5,520,539	4,830,768
Racecourse	3,364,674	2,482,538
Grass drying and farming	577,424	469,036
Rental income	1,264,406	1,119,337
	<u>10,727,043</u>	<u>8,901,679</u>

The total turnover of the group for the current and prior year has been derived from its principal activities wholly undertaken in the United Kingdom.

**5. Other operating income**

	2023 £	2022 £
Other income	6,968	-
Grants received	-	173,347
	<u>6,968</u>	<u>173,347</u>

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**6. Operating profit**

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of owned tangible fixed assets	319,133	295,374
Depreciation of tangible fixed assets held under finance leases	-	8,022
Other operating lease rentals	439,723	(225,023)
Loss on disposal of tangible fixed assets	1,762	3,884
	<u>1,762</u>	<u>3,884</u>

**7. Auditor's remuneration**

During the year, the Group obtained the following services from the Company's auditor:

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the consolidated and parent Company's financial statements	11,300	2,840
Fees payable to the Company's auditor for the audit of the subsidiaries financial statements	12,200	11,080
	<u>12,200</u>	<u>11,080</u>

**8. Employees**

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	2,612,421	2,183,958	-	-
Social security costs	256,772	203,254	-	-
Cost of defined contribution scheme	164,356	180,861	-	-
	<u>3,033,549</u>	<u>2,568,073</u>	<u>-</u>	<u>-</u>

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

	2023 No.	2022 No.
Directors	6	4
Office and administration	27	25
Services and operations	94	87
	<u>127</u>	<u>116</u>

# HOLKER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	813,947	556,022
Group contributions to defined contribution pension schemes	65,145	37,000
	<u>879,092</u>	<u>593,022</u>

During the year retirement benefits were accruing to 3 directors (2022 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £282,850 (2022 - £294,125).

### 10. Interest receivable

	2023 £	2022 £
Other interest receivable	52,726	40,012
	<u>52,726</u>	<u>40,012</u>

### 11. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	17,251	40,756
Other loan interest payable	42,124	11,650
	<u>59,375</u>	<u>52,406</u>



**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**12. Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>25,446</b>	115,389
<b>Total current tax</b>	<b>25,446</b>	115,389
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>95,150</b>	81,777
<b>Total deferred tax</b>	<b>95,150</b>	81,777
<b>Taxation on profit on ordinary activities</b>	<b>120,596</b>	197,166

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<b>229,018</b>	412,664
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	<b>43,513</b>	78,406
<b>Effects of:</b>		
Tax effect of expenses that are not deductible in determining taxable profit	<b>23,797</b>	40,390
Capital allowances for year in excess of depreciation	<b>(12,940)</b>	(21,143)
Depreciation on assets not qualifying for tax allowances	-	37,758
Other timing differences	<b>(78,675)</b>	25,516
Other permanent differences	-	(3,647)
Under/(over) provided in prior years	<b>100,171</b>	(2,193)
Deferred tax rate change	<b>44,730</b>	42,079
<b>Total tax charge for the year</b>	<b>120,596</b>	197,166

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023 the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to pay at 19% even after 1 April 2023. Those with profits between £50,000 and £250,000 will pay tax at the main 25% rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. These limits are divided by the number of associated worldwide companies.

# HOLKER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 13. Exceptional items

	2023 £	2022 £
Exceptional administrative expense	-	154,500
	<u>-</u>	<u>154,500</u>

On 19 September 2019, South Lakeland District Council initiated legal proceedings against the company and two other parties in relation to an incident at the Old Park Wood Caravan Park in 2016 comprising four health and safety offences. The company pleaded guilty in relation to one of the offences. In the 2021 financial statements, this matter was disclosed as a contingent liability due to uncertainty as to the financial outcome of the case for the company. Following a court hearing in the 2022 financial year, the amount payable in relation to the incident of £154,500 including costs can now be reliably estimated and has therefore been included as a provision in the 2022 financial year. Due to its size and nature, the directors consider that this should be shown as an exceptional item within operating profit on the face of the profit and loss account.

HOLKER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

14. Intangible assets

Group and Company

	Website £	Basic Payment Scheme Entitlements £	Total £
<b>Cost</b>			
At 1 April 2022	-	67,700	67,700
Additions	22,333	-	22,333
Disposals	-	(67,700)	(67,700)
At 31 March 2023	22,333	-	22,333
<b>Amortisation</b>			
At 1 April 2022	-	67,700	67,700
Charge for the year on owned assets	1,202	-	1,202
On disposals	-	(67,700)	(67,700)
At 31 March 2023	1,202	-	1,202
<b>Net book value</b>			
At 31 March 2023	21,131	-	21,131
At 31 March 2022	-	-	-

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

HOLKER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

15. Tangible fixed assets

Group

	Land and buildings freehold £	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
<b>Cost or valuation</b>						
At 1 April 2022	585,200	6,111,844	2,427,403	86,402	3,873	9,214,722
Additions	6,402	115,135	419,429	7,995	55,452	604,413
Disposals	-	-	(32,814)	-	-	(32,814)
At 31 March 2023	591,602	6,226,979	2,814,018	94,397	59,325	9,786,321
<b>Depreciation</b>						
At 1 April 2022	341,001	3,453,947	1,912,278	63,885	-	5,771,111
Charge for the year on owned assets	17,435	178,708	119,816	3,174	-	319,133
Disposals	-	-	(11,659)	-	-	(11,659)
At 31 March 2023	358,436	3,632,655	2,020,435	67,059	-	6,078,585
<b>Net book value</b>						
At 31 March 2023	233,166	2,594,324	793,583	27,338	59,325	3,707,736
At 31 March 2022	244,200	2,657,898	515,124	22,518	3,873	3,443,613

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**15. Tangible fixed assets (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Plant and machinery	-	88
	<u>-</u>	<u>88</u>
	<u>-</u>	<u>88</u>

**16. Fixed asset investments**

**Group**

	<b>Investments in subsidiary companies £</b>	<b>Listed investments £</b>	<b>Unlisted investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2022	7	825,003	20,557	845,567
Additions	-	76,158	-	76,158
Disposals	-	(1,006,776)	-	(1,006,776)
Revaluations	-	105,615	-	105,615
At 31 March 2023	<u>7</u>	<u>-</u>	<u>20,557</u>	<u>20,564</u>

**Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 April 2022	486,366
At 31 March 2023	<u>486,366</u>

**Fixed asset investments revalued**

The listed investments have a cost value of £Nil as at 31 March 2023 (2022: £650,011).

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 16. Fixed asset investments (continued)

##### Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Cartmel Steeplechases (Holker) Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	Racecourse	Ordinary	86%
Holbeck Homes Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	House building		100%
Holker Estate Co. Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	Caravan parks, estate management and property rental	Ordinary	93%
The Roose & Walney Sand & Gravel Company Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	Dormant	Ordinary	100%
Vitagrass Farms (Holker) Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	Farming	Ordinary	93%

##### Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Cartmel Steeplechases Limited	Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN	Dormant	Ordinary	100%

The following subsidiaries are exempt from audit under the requirements of s479A of the Companies Act 2006. Holker Holdings Limited guarantees the companies under s479C of the Companies Act 2006 in respect of the year ended 31 March 2023.

Cartmel Steeplechases (Holker) Limited, company number 03524887  
Holbeck Homes Limited, company number 00887431  
Vitagrass Farms (Holker) Limited, company number 00537157

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**17. Investment property**

**Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	<b>1,195,000</b>
Surplus on revaluation	<b>45,000</b>
<b>At 31 March 2023</b>	<b><u>1,240,000</u></b>

The company had no Investment Property at 31 March 2023 or 31 March 2022.

The 2022 professional valuations were undertaken by Richard P Taylor Chartered Surveyors, and updated by Corrie & Co. Estate Agents to assist the directors in 2023. The valuations are made on an open market value for existing use basis.

**18. Stocks**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Raw materials and consumables	<b>356,956</b>	<i>341,518</i>
Work in progress (goods to be sold)	<b>2,293,375</b>	<i>1,319,846</i>
Finished goods and goods for resale	<b>570,091</b>	<i>365,597</i>
	<b><u>3,220,422</u></b>	<i><u>2,026,961</u></i>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

HOLKER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

19. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Due after more than one year</b>				
Due from related parties	803,688	1,175,000	-	-
	<u>803,688</u>	<u>1,175,000</u>	<u>-</u>	<u>-</u>
	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Due within one year</b>				
Trade debtors	323,677	177,891	-	-
Amounts owed by group undertakings	-	-	27,982	-
Other debtors	1,192,175	547,805	-	-
Prepayments and accrued income	365,977	359,315	-	-
	<u>1,881,829</u>	<u>1,085,011</u>	<u>27,982</u>	<u>-</u>

20. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	1,810,589	1,724,994	68,570	121,843
Less: bank overdrafts	(872,153)	(1,093,602)	-	-
	<u>938,436</u>	<u>631,392</u>	<u>68,570</u>	<u>121,843</u>



**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank overdrafts	872,153	1,093,602	-	-
Bank loans	35,000	33,968	-	-
Other loans	5,000	-	-	-
Trade creditors	850,778	483,627	-	-
Amounts owed to group undertakings	-	-	68,568	93,859
Corporation tax	25,446	105,393	-	-
Other taxation and social security	241,397	182,213	-	-
Other creditors	227,316	382,809	-	-
Accruals and deferred income	2,435,022	2,710,562	-	-
	<u>4,692,112</u>	<u>4,992,174</u>	<u>68,568</u>	<u>93,859</u>

**22. Creditors: Amounts falling due after more than one year**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Bank loans	813,250	102,000
Other loans	1,010,622	200,000
Other creditors	-	129,690
	<u>1,823,872</u>	<u>431,690</u>

The bank loans and overdrafts are provided by Handelsbanken and are secured by a first fixed and floating charge over the assets of the group, and an unlimited multilateral guarantee given by Holker Holdings Limited, and all of its subsidiary undertakings. There is also a guarantee given by Holker Estates Trust, limited to £3,000,000 and supported by legal charges over certain land and buildings.

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**23. Loans**

Analysis of the maturity of loans is given below:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
<b>Amounts falling due within one year</b>		
Bank loans	<b>35,000</b>	33,968
Other loans	<b>5,000</b>	-
	<b>40,000</b>	33,968
<b>Amounts falling due 1-2 years</b>		
Other loans	<b>110,000</b>	200,000
	<b>110,000</b>	200,000
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>813,250</b>	102,000
Other loans	<b>894,872</b>	-
	<b>1,708,122</b>	102,000
<b>Amounts falling due after more than 5 years</b>		
Other loans	<b>5,750</b>	-
	<b>1,863,872</b>	335,968

HOLKER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

24. Deferred taxation

Group

	2023	
	£	
At beginning of year	(284,320)	
Charged to profit or loss	(95,871)	
Utilised in year	721	
At end of year	(379,470)	

	Group 2023 £	Group 2022 £
Accelerated capital allowances	(262,145)	(182,044)
Revaluations	-	(79,619)
Investment Property	(157,719)	(24,818)
Short term timing differences	40,394	2,161
	(379,470)	(284,320)

# HOLKER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 25. Provisions

#### Group

	Provision for court case £	Provision relating to leased property maintenance £	Total £
At 1 April 2022	154,500	-	154,500
Charged to profit or loss	-	75,000	75,000
Utilised in year	(103,300)	-	(103,300)
<b>At 31 March 2023</b>	<b>51,200</b>	<b>75,000</b>	<b>126,200</b>

On 19 September 2019, South Lakeland District Council initiated legal proceedings against the company and two other parties in relation to an incident at the Old Park Wood Caravan Park in 2016 comprising four health and safety offences. The company pleaded guilty in relation to one of the offences. The amount payable in relation to the incident of £154,500 including costs can be reliably estimated and was therefore included as a provision in the previous years financial statements.

The company utilises leasehold property, within the the terms of each lease is a requirement for continued maintenance of the building and its interior. A provision has been created to based upon managements best estimate of the future costs associated with fulfilling a painting program on 30 leasehold buildings.

### 26. Government grants

	Group 2023 £	Group 2022 £
Government grants	(133,921)	(191,500)
	<b>(133,921)</b>	<b>(191,500)</b>

The deferred government grants relate to amounts received from the Horse Betting Levy Board. The grant income is being released to the profit and loss account over 20 years. There are no unfulfilled conditions attached to the grants.

### 27. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
512,476 (2022 - 512,476) Ordinary shares of £1.00 each	512,476	512,476

## HOLKER HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 28. Reserves

##### Share premium account

Share premium account represents amounts paid for shares above the nominal amount.

##### Profit and loss account

Profit and loss reserves represent accumulated profit or loss for the year and prior periods, less dividends paid.

#### 29. Analysis of net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,724,994	85,595	1,810,589
Bank overdrafts	(1,093,602)	221,449	(872,153)
Debt due after 1 year	(302,000)	(1,476,872)	(1,778,872)
Debt due within 1 year	(33,968)	(7,606)	(41,574)
	<u>295,424</u>	<u>(1,177,434)</u>	<u>(882,010)</u>

#### 30. Contingent liabilities

a) The Group is party to an unlimited multilateral guarantee to secure the borrowings of the Holker Holdings Limited group from Handelsbanken dated 7 October 2011. The net balance due to Handelsbanken by the group at 31 March 2023 was £363,929 (2022: £470,289 due from).

b) The company has provided a letter of support for its subsidiary undertaking, Holker Estates Co. Limited. Holker Estates Co. Limited has net assets of £21,324 (2022: £50,104) at the year end.

c) The company has provided a guarantee for its subsidiary undertakings, Holbeck Homes Limited (net assets £3,671,000), Cartmel Steeplechases (Holker) Limited (net assets £1,070,103) and Vitagrass Farms (Holker) Limited (net assets £785,943) as part of the audit exemption per note.

#### 31. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £164,356 (2022 - £180,861). Contributions totalling £1,573 (2022 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

# HOLKER HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 32. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Not later than 1 year	235,137	144,180
Later than 1 year and not later than 5 years	729,858	487,083
Later than 5 years	1,485,000	1,050,000
	<b>2,449,995</b>	<b>1,681,263</b>

### 33. Related party transactions

Key management personnel comprises 6 individuals (2022 - 6), total key management remuneration in the year to 31 March 2023 totalled £845,642 (2022: £638,013)

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	<b>Sales 2023 £</b>	<b>Sales 2022 £</b>	<b>Purchases 2023 £</b>	<b>Purchases 2022 £</b>
Other related parties	527,968	823,196	601,219	491,860
	<b>527,968</b>	<b>823,196</b>	<b>601,219</b>	<b>491,860</b>

Management charges totalling £275,000 (2022: £100,000) were charged to a related party. The balance was outstanding as at 31 March 2023.

The group sells and purchases goods and services including the rent of property to/from various entities under common control.

#### Amounts due to/from related parties

	<b>2023 £</b>	<b>2022 £</b>
Owed to other related parties	192,580	124,405
Owed by other related parties	1,837,858	1,415,383
	<b>2,030,438</b>	<b>1,539,788</b>

The group has loans and trading balances due to/from entities under common control. Certain loans carry interest at a commercial rate and have specific repayments terms. Interest of £3,417 (2022: £11,560) was paid to related parties during the year. All other balances are interest free and repayable on demand.

**HOLKER HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**34. Controlling party**

The company is under the ultimate control of the Cavendish 1959 Settlement.