

WINGROVE HOUSE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR

Company Registration No. 05610375 (England and Wales)

Chartered Accountants
& Statutory Auditor

WINGROVE HOUSE LIMITED

CONTENTS

	Page
Statement of financial position	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 13

WINGROVE HOUSE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Non-current assets					
Intangible assets	4		97,287		136,914
Property, plant and equipment	5		2,552,682		1,732,053
Investments	6		200		200
			<u>2,650,169</u>		<u>1,869,167</u>
Current assets					
Inventories			29,131		36,138
Trade and other receivables	8		125,569		86,532
Cash and cash equivalents			110,973		161,688
			<u>265,673</u>		<u>284,358</u>
Current liabilities	9		(555,525)		(402,624)
Net current liabilities			<u>(289,852)</u>		<u>(118,266)</u>
Total assets less current liabilities			<u>2,360,317</u>		<u>1,750,901</u>
Non-current liabilities	10		(1,069,564)		(468,390)
Provisions for liabilities			<u>(21,653)</u>		<u>(27,311)</u>
Net assets			<u>1,269,100</u>		<u>1,255,200</u>
Equity					
Called up share capital	12		3,247,054		3,247,054
Revaluation reserve			289,249		294,907
Retained earnings			(2,267,203)		(2,286,761)
Total equity			<u>1,269,100</u>		<u>1,255,200</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

WINGROVE HOUSE LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 20 September 2018 and are signed on its behalf by:

Mr B Porter
Director

Company Registration No. 05610375

WINGROVE HOUSE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital £	Revaluation reserve £	Retained earnings £	Total £
Balance at 1 January 2016		55,000	304,111	(2,108,584)	(1,749,473)
Year ended 31 December 2016:					
Loss for the year		-	-	(178,177)	(178,177)
Other comprehensive income:					
Tax relating to other comprehensive income		-	(9,204)	-	(9,204)
Total comprehensive income for the year		-	(9,204)	(178,177)	(187,381)
Issue of share capital	12	128,334	-	-	128,334
Conversion of loan to shares	12	3,063,720	-	-	3,063,720
Balance at 31 December 2016		3,247,054	294,907	(2,286,761)	1,255,200
Year ended 31 December 2017:					
Profit for the year		-	-	19,558	19,558
Other comprehensive income:					
Tax relating to other comprehensive income		-	(5,658)	-	(5,658)
Total comprehensive income for the year		-	(5,658)	19,558	13,900
Balance at 31 December 2017		3,247,054	289,249	(2,267,203)	1,269,100

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Wingrove House Limited is a private company limited by shares incorporated in England and Wales. The registered office is 18 Hyde Gardens, Eastbourne, East Sussex, BN21 4PT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, net of returns, discounts and value added tax.

Revenue is recognised when the rooms are occupied. Revenue collected in advance is recorded as deferred revenue until the room is occupied.

Revenue from restaurant, bar and kiosk sales are recognised when food and beverage products are sold. Deferred revenue is recorded for gift cards and vouchers that have been sold but not yet redeemed. The company recognises revenue and reduces the related deferred revenue when the gift cards are redeemed or expire.

Revenue from events and parties are recognised when the service is provided. Revenue collected in advance is recorded as deferred revenue until the event or party occurs.

Revenue from membership fees are recognised over the period to which they relate. Deferred revenue is recorded for membership fees that are collected in advance.

Revenue from entry fees are recognised when the customer pays for access.

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Land & Buildings

Land and buildings include freehold and leasehold hotel, restaurant, kiosks and activity centre. Land and buildings are stated at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses.

The company previously adopted a policy of revaluing freehold land and buildings and they were stated at their revalued amount less any subsequent depreciation and accumulated losses. The company has adopted the transition exemption under FRS102 paragraph 35.10 (d) and has elected to use the previous revaluation as deemed cost.

The difference between the depreciation based on the deemed cost charged in the profit and loss account and the asset's original cost is transferred from the revaluation reserve to retained earnings.

Plant and machinery and fixtures, fittings, tools and equipment

Plant and machinery and fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated to allocate the cost to their residual values over their estimated useful lives as follows:

Freehold land and buildings	50 years straight line
Leasehold land and buildings	Over the period of the lease or 50 years if lease is greater
Leasehold improvements	Over the period of the lease or 50 years if lease is greater
Fixtures, fittings & equipment	6 years straight line
Computer equipment	3 years straight line
Motor vehicles	25% reducing balance

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Derecognition

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

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.6 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of non-current assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

1.8 Inventories

Inventories 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 inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

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 company after deducting all of its liabilities.

Basic financial liabilities

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

1.11 Equity instruments

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

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.12 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.13 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company'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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

1.14 Employee benefits

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

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

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

1.15 Retirement benefits

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

1.16 Leases

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

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 149 (2016 - 16). The increase is a result of the staff transferred from TI (Eastbourne) Limited on 31 December 2016.

3 Taxation

	2017 £	2016 £
Deferred tax		
Origination and reversal of timing differences	(5,658)	-

At the reporting date the company had unused tax losses to carry forward of £2,239,638 (2016: £2,286,932).

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2017 and 31 December 2017	198,134
Amortisation and impairment	
At 1 January 2017 and 31 December 2017	100,847
Carrying amount	
At 31 December 2017	97,287
At 31 December 2016	136,914

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

5 Property, plant and equipment

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2017	1,621,390	542,344	2,163,734
Additions	858,501	39,161	897,662
At 31 December 2017	2,479,891	581,505	3,061,396
Depreciation and impairment			
At 1 January 2017	42,978	388,704	431,682
Depreciation charged in the year	15,545	61,487	77,032
At 31 December 2017	58,523	450,191	508,714
Carrying amount			
At 31 December 2017	2,421,368	131,314	2,552,682
At 31 December 2016	1,578,413	153,640	1,732,053

At the reporting date the residual value of the Freehold buildings has been reviewed and considered to be equal to the carrying value in the financial statements. As such the depreciation charge for the year is £0.

6 Fixed asset investments

	2017 £	2016 £
Investments	200	200

7 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
TI (Eastbourne) Limited	England	Activity centre	Ordinary	100.00	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
TI (Eastbourne) Limited	-	200

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Trade and other receivables

	2017	2016
	£	£
Amounts falling due within one year:		
Trade receivables	1,596	2,922
Other receivables	102,320	56,299
	<u>103,916</u>	<u>59,221</u>
Amounts falling due after more than one year:		
Deferred tax asset	21,653	27,311
	<u>21,653</u>	<u>27,311</u>
Total debtors	<u>125,569</u>	<u>86,532</u>

9 Current liabilities

	Notes	2017	2016
		£	£
Bank loans and overdrafts	11	152,100	52,785
Trade payables		199,579	133,106
Amounts due to group undertakings		200	200
Other taxation and social security		99,401	121,150
Other payables		21,700	13,927
Accruals and deferred income		82,545	81,456
		<u>555,525</u>	<u>402,624</u>

10 Non-current liabilities

	2017	2016
	£	£
Bank loans and overdrafts	662,137	58,668
Other payables	407,427	409,722
	<u>1,069,564</u>	<u>468,390</u>
Creditors which fall due after five years are as follows:		
	2017	2016
	£	£
Payable by instalments	449,298	-
	<u>449,298</u>	<u>-</u>

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Borrowings

	2017 £	2016 £
Bank loans	814,237	111,453
Loans from related parties	222,405	264,700
Other loans	185,022	145,022
	<u>1,221,664</u>	<u>521,175</u>
Payable within one year	152,100	52,785
Payable after one year	<u>1,069,564</u>	<u>468,390</u>

The bank loans and overdrafts represent a commercial mortgage and are secured by a legal mortgage over the freehold and leasehold properties and a fixed and floating charge over the assets of the company.

Loans from related parties are amount owed to a company connected with the directors P Lewin and B Porter and are unsecured, interest charged at 5% per annum and has no fixed repayment date.

Other loans are amount owed to the directors and are unsecured, interest free and have no fixed repayment date.

12 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
55,000 A Ordinary of £1 each	55,000	55,000
128,334 B Ordinary of £1 each	128,334	128,334
3,063,720 C Redeemable of £1 each	3,063,720	3,063,720
	<u>3,247,054</u>	<u>3,247,054</u>

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017 £	2016 £
	<u>440,000</u>	<u>440,000</u>

WINGROVE HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

14 Related party transactions

On 31 December 2016 the trade and assets of the subsidiary TI (Eastbourne) Limited were transferred to the company. The transfer included all bank and loan accounts in TI (Eastbourne) Limited's name.

At the reporting date the company owed the directors Mr P Lewin, Mr B Porter and Mr N Eckert £13,053 (2016: £13,053), £49,053 (2016: £9,053) and £122,916 (2016: £122,916) respectively. The loans are on an interest free basis.

European Golf Services Limited a company controlled by close family members of the directors, was due £222,405 (2016: £264,700).

Peacehaven Golf Club Limited a company controlled by the directors Mr P Lewin and Mr B Porter owed the company £80,257 (2016: £35,916).

15 Control

The company was under the control of the directors during the current and preceding years.

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