

OAKMAN PROPERTY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 2 JULY 2023

OAKMAN PROPERTY LIMITED

COMPANY INFORMATION

Directors	Peter James Borg-Neal Dermot Francis King
Registered number	07219458
Registered office	Saxon House 211 High Street Berkhamsted Hertfordshire United Kingdom HP4 1AD
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

OAKMAN PROPERTY LIMITED

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**STRATEGIC REPORT
FOR THE PERIOD ENDED 2 JULY 2023**

Introduction

The Directors present their report and the financial statements for the 52 weeks ended 2 July 2023.

Oakman Property Limited is a wholly owned subsidiary of Oakman Inns and Restaurants Limited and is part of Oakman Group. The Company owns and operates one freehold premium pub with hotel rooms and function facilities.

Business review

The Government support that had been put in place following the Covid 19 pandemic, including Coronavirus Job Retention Scheme, grant support schemes and the temporary VAT relief for the hospitality sector all ended prior to the beginning of the financial year.

At this time the hospitality industry suffered generally from a shortage of workers. Although we were perhaps less affected than others, we limited opening hours and trading capacity until those pressures lifted in the summer of 2022.

Inflation had impacted energy prices, not unconnected to Russia invading Ukraine, and although we had negotiated long term energy supply agreements prior to market prices becoming unsustainable, shielding us from the worst of that cost increase, consumer confidence became impacted by what was becoming a cost-of-living crisis. Nevertheless, the business performed strongly given the pressures outside of our control.

The business focused on creating an environment to retain our best talent, paying as much as we could afford, rather than as little as we could get away with. Of particular concern was the employment landscape for kitchen workers and chefs generally. The training and development of our kitchen teams was a key part of this strategy and has provided us with the employee resources to continue our growth.

Despite the continuation of outside factors impacting our ability to trade, the Company produced Turnover of £4.7m up some £0.2m on the prior year with adjusted EBITDA of £0.9m up from £0.6m achieved in the prior year. The Balance Sheet shows Net Liabilities of £1.7m down from £2.5m at the end of the previous year. The Company is funded through an inter-company debt from Oakman Inns (P&E) Limited.

Other Financial and non-financial KPIs

- During the year sales performed in line with the market being some 3.7% up on prior year (per Coffey Peach Business Tracker)
- Average net sales increased to £89 k per week for the whole of the period, up from some £86k during the previous year.
- Wet Margins improved by 0.7% compared to the previous year.
- Dry Margins fell back by some 2.1% compared to the previous year.
- Staff turnover for the period was at 53%.

Future Development

The principal risks facing the business in the period are covered below. They continue to be risks to the operation of the pubs however the risk has transferred to Oakman Inns (P&E) Limited given the post year end hive up of trade.

The Directors have restructured the intercompany loans within Oakman Group at the start of July 2023 and are then planning to "hive up" the trade and assets of the Company net of liabilities by transferring them to Oakman Inns (P&E) Limited. Following this "hive up" the Company will no longer trade.

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 2 JULY 2023

Principal risks and uncertainties

The principal risks facing the business are:-

- Funding – the size and type of leverage exposes the business to short term fluctuations in market

conditions. Although cashflow and other information is constantly monitored, re-engineering the structure of the balance sheet is the primary focus of the board.

- Employment landscape – as a service business, access to sufficient labour is critical. Post Brexit and the impact of Covid-19. The labour market has contracted and the business is facing this challenge by creating and developing a strategy that attracts, develops and retains the best talent in our market, including but not limited to the development of our Chef Academy.

- Inflation – like all retail businesses, consumer confidence can impact discretionary spending decisions by families. High energy prices on households that drive inflation that impact day to day prices risks damaging that confidence.

- Food safety – the business retains the highest standards of food safety and correctly places this issue at the top of every management meeting.

- Data security – the board has implemented sufficient defences in our networks to prevent criminal attacks. A sustained attack, if successful, would disrupt our ability to trade using payment cards.

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

Dermot Francis King

Director

Date: 31 January 2024

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 2 JULY 2023**

The Directors present their report and the financial statements for the period ended 2 July 2023.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the period, after taxation, amounted to £780,968 (2022 - £300,271).

No dividends were paid in the period (2022: £nil).

Directors

The Directors who served during the period were:

Peter James Borg-Neal
Dermot Francis King

Disclosure of information to auditors

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

- so far as the Director is aware, there is no relevant audit information of which the Company'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.

OAKMAN PROPERTY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 2 JULY 2023**

Future developments and going concern

Post period end, the Directors have restructured the intercompany loans within Oakman Group and have "hived up" the trade and assets of the Company net of liabilities by transferring them to Oakman Inns (P&E) Limited at net book value on 3 July 2023. Following this "hive up" the Company no longer trades.

Auditors

The auditors, Haysmacintyre LLP, 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.

Dermot Francis King

Director

Date: 31 January 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN PROPERTY LIMITED

Opinion

We have audited the financial statements of Oakman Property Limited (the 'Company') for the period ended 2 July 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 Company's affairs as at 2 July 2023 and of its profit for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Emphasis of matter

We draw attention to note 2.3 of the financial statements. This explains that, post period end, the Directors have restructured the intercompany loans within Oakman Group and have "hived up" the trade and assets of the Company net of liabilities by transferring them to Oakman Inns P&E Limited at NBV on 3 July 2023. Following this "hive up" the Company no longer trades.

For this reason, the Directors have concluded that the Company is no longer a going concern and therefore these financial statements have been prepared on a basis other than going concern as described in noted 2.3. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN PROPERTY LIMITED (CONTINUED)

Other information

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

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 Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; 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 3, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN PROPERTY LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

We consider the most significant laws and regulations that have a direct impact on the financial statements to be:

- FRS102 and Companies Act 2006 compliance: We reviewed of the financial statement disclosures and performed testing on balances and disclosures.
- Tax regulation: We inspected correspondence with regulators and tax authorities and reviewed the companies tax computations.

We consider the most significant laws and regulations that have an indirect impact on the financial statements are:

- Food safety and hygiene: We discussed with management to identify whether they were aware of instances of non-compliance, we reviewed board minutes, we searched the site on the FSA website to identify whether any instances of poor ratings or breaches.
- Licencing: We discussed with management to identify whether they were aware of instances of non-compliance, and we reviewed board minutes.
- Minimum wage: We discussed with management to identify whether they were aware of instances of non-compliance, we reviewed board minutes and we remained alert for any breaches during our sample testing on payroll.

We considered the following areas to be those where the financial statements are most susceptible to fraud:

- Management override of controls: We evaluated management's controls designed to prevent and detect irregularities and we sampled and tested journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and we challenged assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKMAN PROPERTY 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Isabelle Shepherd (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

31 January 2024

OAKMAN PROPERTY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 2 JULY 2023

	Note	2023 £	2022 £
Turnover	4	4,621,461	4,454,628
Cost of sales		(2,650,851)	(2,597,886)
Gross profit		<u>1,970,610</u>	<u>1,856,742</u>
Administrative expenses		(1,072,002)	(1,296,484)
Other operating income	5	<u>23,140</u>	<u>37,303</u>
EBITDA	6	921,748	597,561
Depreciation		(140,780)	(134,614)
Total operating profit		<u>780,968</u>	<u>462,947</u>
Interest payable and similar expenses	10	-	(162,676)
Profit before tax		<u>780,968</u>	<u>300,271</u>
Tax on profit	11	-	-
Profit for the financial period		<u><u>780,968</u></u>	<u><u>300,271</u></u>

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 12 to 22 form part of these financial statements.

OAKMAN PROPERTY LIMITED
REGISTERED NUMBER:07219458

BALANCE SHEET
AS AT 2 JULY 2023

	Note	2 July 2023 £	3 July 2022 £
Fixed assets			
Tangible assets	12	10,708,453	10,795,779
Investments	13	1	1
		<u>10,708,454</u>	<u>10,795,780</u>
Current assets			
Stocks	14	67,713	40,649
Debtors: amounts falling due within one year	15	182,334	236,383
Cash at bank and in hand	16	14,551	18,577
		<u>264,598</u>	<u>295,609</u>
Creditors: amounts falling due within one year	17	(12,726,949)	(13,626,254)
Net current liabilities		<u>(12,462,351)</u>	<u>(13,330,645)</u>
Total assets less current liabilities		<u>(1,753,897)</u>	<u>(2,534,865)</u>
Capital and reserves			
Called up share capital	18	1	1
Profit and loss account	19	(1,753,898)	(2,534,866)
		<u>(1,753,897)</u>	<u>(2,534,865)</u>

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

Dermot Francis King
Director

Date: 31 January 2024

The notes on pages 12 to 22 form part of these financial statements.

OAKMAN PROPERTY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 2 JULY 2023

	Called up share capital £	Profit and loss account £	Total equity £
At 4 July 2021	1	(2,835,137)	(2,835,136)
Comprehensive income for the year			
Profit for the year	-	300,271	300,271
At 3 July 2022	1	(2,534,866)	(2,534,865)
Comprehensive income for the period			
Profit for the period	-	780,968	780,968
At 2 July 2023	<u>1</u>	<u>(1,753,898)</u>	<u>(1,753,897)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

1. General information

Oakman Property Limited is a private company limited by shares registered in England & Wales with registration number 07219458. Its registered office is Saxon House, 211 High Street, Berkhamsted, HP4 1AD and its principal place of trading is The Royal Foresters, London Road, Ascot, SL5 8DR.

Post period end, the Directors have restructured the intercompany loans within Oakman Group and have "hived up" the trade and assets of the Company net of liabilities by transferring them to Oakman Inns (P&E) Limited at net book value on 4 July 2023. Following this "hive up" the Company no longer trades. See note 2.3 for further information.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group. The results of the company and the group headed by it are included in the consolidated financial statements of its ultimate controlling party Oakman Group Plc.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Oakman Group Plc as at 2 July 2023 and these financial statements may be obtained from Companies House.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

2. Accounting policies (continued)

2.3 Going concern

In preparing the financial statements, the Directors have made the assessment of the entity's ability to continue as a going concern.

The Directors are planning to restructure the intercompany loans within Oakman Group and the "hive up" the trade and assets of the Company net of liabilities by transferring them to Oakman Inns (P&E) Limited on 3 July 2023. Following this "hive up" the Company will no longer trade.

For this reason, the Directors have concluded that the Company is not longer a going concern and these financial statements have been prepared on this basis. No material adjustments arose as a result of ceasing to apply the going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable for the sale of food and beverage and the provision of accommodation in the pub operated by the Company excluding value added tax, other sales taxes and discounts.

Accommodation revenue is recognised in the period in which the services are provided and food and beverage sales are recognised at the point of sale.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The grants received in the year are revenue based grants under the Coronavirus Job Retention Scheme (CJRS) and they have been recognised as other operating income in the Statement of Comprehensive Income. The amounts recognised within other operating income in the prior period include amounts to reflect the employees covered by CJRS in the period leading up to this date, while the pub was closed due to the Covid-19 pandemic.

Grants have also been received under the Retail, Hospitality and Tourism scheme. These grants have been recognised in the period in which the company became entitled to the grant.

2.6 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.

2.7 Pensions

Defined contribution pension plan

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023

2. Accounting policies (continued)

2.8 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:

Freehold property	- Over 50 years (with 100% residual value)
Plant and machinery	- 13% straight line
Fixtures and fittings	- 10% straight line
Office equipment	- 33% straight line
Other fixed assets	- 33% straight line

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.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

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

2.11 Debtors

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

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

2. Accounting policies (continued)

2.13 Creditors

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

2.14 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an outright short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Tangible Fixed Assets

The estimated useful economic lives and residual values of tangible fixed assets are based on management's judgement and experience. When management identifies that the actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted prospectively. Due to the significance of tangible fixed asset investment to the company, variations between actual and estimated useful economic lives, and variations between actual and estimated residual value, could impact operating results both positively and negatively, although historically few changes to estimated useful economic lives have been required.

The Company is required to evaluate the carrying values of tangible fixed assets for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements concerning the cash flows, growth rates and discount rates of the cash generating units under review. Management concluded that no impairment was required in respect of fixed assets as at 3 July 2022 on the basis of the known information at this date.

OAKMAN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023

4. Turnover

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

	2023 £	2022 £
Food and beverage	3,997,056	3,912,967
Accommodation	624,405	541,661
	<u>4,621,461</u>	<u>4,454,628</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2023 £	2022 £
Net rents receivable	23,140	28,346
Government grants receivable	-	8,957
	<u>23,140</u>	<u>37,303</u>

The Company was awarded a government grant amounting to £nil (2022: £8,957) in relation to the Coronavirus Job Retention scheme. The grant received in relation to the Coronavirus Job Retention Scheme was claimed by another company in the group (Oakman Inns and Restaurants Limited) as they are the employer. The value in relation to the employees that work for this company is what has been recognised as other operating income.

6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	140,780	134,614
Defined contribution pension scheme	<u>20,984</u>	<u>19,248</u>

OAKMAN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023

7. Auditors' remuneration

During the period, the Company obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>6,720</u>	<u>5,600</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

8. Employees

	2023 £	2022 £
Wages and salaries	1,385,510	1,402,985
Social security costs	89,755	93,649
Cost of defined contribution scheme	20,984	19,248
	<u>1,496,249</u>	<u>1,515,882</u>

The employees are contracted with Oakman Inns and Restaurants Limited, an entity within the Oakman Group. The number of employees disclosed below and the employee costs disclosed above are those used by this company under a recharge agreement with Oakman Inns and Restaurants Limited.

The average monthly number of employees, including the Directors, during the period was as follows:

	2023 No.	2022 No.
Retail	<u>95</u>	<u>102</u>

9. Directors' remuneration

The Director emoluments are paid by the parent company. Their services to this company were of a negligible value so no amounts have been recharged.

The Directors are considered to be the key management personnel of the Company.

10. Interest payable and similar expenses

	2023 £	2022 £
Bank loan interest payable	<u>-</u>	<u>162,676</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

11. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 20.53% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	780,968	300,271
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.53% (2022 - 19%)	160,356	57,051
Effects of:		
Expenses not deductible for tax purposes	-	12
Capital allowances for period/year in excess of depreciation	24,515	(2,486)
Remeasurement of deferred tax for changes in tax rates	40,219	16,612
Deferred tax not recognised	(225,090)	(69,217)
Non-taxable income	-	(2,402)
Other differences leading to an increase (decrease) in the tax charge	-	430
Total tax charge for the period/year	-	-

On 24 May 2021 the increase of corporation tax to 25% was substantively enacted, as of 1 April 2023. The deferred tax at the balance sheet date has therefore been measured at this rate.

OAKMAN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Other fixed assets £
Cost or valuation					
At 4 July 2022	10,033,634	75,998	1,100,980	23,303	107,405
Additions	-	-	44,598	-	8,856
At 2 July 2023	10,033,634	75,998	1,145,578	23,303	116,261
Depreciation					
At 4 July 2022	-	27,668	391,098	22,796	103,979
Charge for the period on owned assets	-	9,248	119,564	430	11,538
At 2 July 2023	-	36,916	510,662	23,226	115,517
Net book value					
At 2 July 2023	10,033,634	39,082	634,916	77	744
At 3 July 2022	10,033,634	48,330	709,882	507	3,426
					Total £
Cost or valuation					
At 4 July 2022					11,341,320
Additions					53,454
At 2 July 2023					11,394,774
Depreciation					
At 4 July 2022					545,541
Charge for the period on owned assets					140,780
At 2 July 2023					686,321
Net book value					
At 2 July 2023					10,708,453
At 3 July 2022					10,795,779

OAKMAN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

12. Tangible fixed assets (continued)

Oakman Inns (P&E) Limited holds a bank loan with Cynergy that funds this company through intercompany debt. The freehold property held by this company forms part of the security on this debt.

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 4 July 2022	1
At 2 July 2023	<u>1</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Oakman Bedfordshire Holdings Limited		100
	Ordinary	%
The Beech Hut Limited*		100
	Ordinary	%

Companies marked with an asterisk are indirectly owned. The Company shares the same registered office as its subsidiary companies.

14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	67,713	40,649
	<u>67,713</u>	<u>40,649</u>

OAKMAN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023**

15. Debtors

	2 July 2023 £	3 July 2022 £
Trade debtors	64,909	83,418
Amounts owed by group undertakings	3,748	3,510
Amounts owed by joint ventures and associated undertakings	26,159	11,340
Other debtors	51,139	34,536
Prepayments and accrued income	36,379	103,579
	<u>182,334</u>	<u>236,383</u>

Amounts owed by group undertakings are interest free and repayable on demand.

16. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>14,551</u>	<u>18,577</u>

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	325,829	336,041
Amounts owed to group undertakings	12,199,751	13,160,823
Amounts owed to related parties	3,800	3,700
Other creditors	50,557	14,107
Accruals and deferred income	147,012	111,583
	<u>12,726,949</u>	<u>13,626,254</u>

The amounts owed to group undertakings are interest free and repayable on demand.

OAKMAN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2023

18. Share capital

	2 July 2023 £	3 July 2022 £
Allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

19. Reserves

Profit and loss account

This comprises all current and prior period retained profits and losses.

20. Pension commitments

The Company operates a defined contributions pension scheme for all employees within the company. 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 Company to the fund and amounted to £20,984 (2022: £19,19,248). Contributions payable to the fund at the reporting date are recognised by Oakman Inns and Restaurants Limited where the employees are contracted.

21. Related party transactions

Included within debtors is £26,158 (2022: £11,340) owed from companies under common control. Included within creditors is £3,800 (2022: £3,700) owed to companies under common control due to mutual directors.

The Company has taken advantage of the exemptions provided by Section 33.1A of FRS 102 not to disclose related party transactions with wholly owned subsidiary undertakings of the group.

22. Post balance sheet events

On 3 July 2023 the Directors decided to restructure the intercompany loans within Oakman Group and "hive up" the trade and assets of the Company, net of liabilities by transferring them to Oakman Inns P&E Limited. Following this "hive up" the Company no longer trades and the intention of the Directors is for this entity to be liquidated. Therefore these accounts have been prepared on a basis other than going concern.

23. Controlling party

The immediate parent is Oakman Inns and Restaurants Limited. The ultimate controlling party is Oakman Group Plc. Both of these companies are registered at Saxon House, 211 High Street, Berkhamsted, HP4 1AD. Oakman Group Plc prepares consolidated accounts which include the results of this company.

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