

REGISTERED NUMBER: 02700383 (England and Wales)

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD
1 JANUARY 2022 TO 31 MARCH 2023
FOR
COOMBE ABBEY PARK LIMITED**



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for the period 1 January 2022 to 31 March 2023**

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COOMBE ABBEY PARK LIMITED

COMPANY INFORMATION
for the period 1 January 2022 to 31 March 2023

DIRECTORS:

Mr R E Harrison
Mrs P Mudhar
Mr A J Walster
Mr J C Cockell
Mr P J Ward

SECRETARY:

Mr G S Sangha

REGISTERED OFFICE:

Coombe Abbey Hotel
Brinklow Road
Binley
Coventry
West Midlands
CV3 2AB

REGISTERED NUMBER:

02700383 (England and Wales)

AUDITORS:

Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

The directors present their strategic report of the company and the group for the period 1 January 2022 to 31 March 2023.

FAIR REVIEW OF BUSINESS

The period under review covers the 15-month period of 1st January 2022 to 31st March 2023 to bring the financial reporting cycle in line with the wider group. The financial statements include two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance. The business continues to grow its footprint and is now operating 16 business outlets across five locations.

Revenue was strong in the period achieving a total of £13.6m. There was a strong start to the period but there was a clear plateau with post covid bookings and the impact of the cost of living crisis affecting customers disposable income. Even with this pressure the business secured revenue only £0.78m short of budget. There has been a shift in bookings from corporate bookings to more leisure and events. The relationship with Go Ape continues to strengthen with the leisure operation in Coombe Abbey Park delivering a good financial return and footfall to the site. This supported the decision to roll out a new attraction with Go Ape, in July 2023, with the introduction of mini rovers on site and a purpose built track.

Occupancy was lower than budgeted at 61.2% but the average room rate was 11.5% higher than budgeted. This saw a drop of £0.35m in revenue, but also a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market. Expenditure on food & beverage increased by £0.4m to budget meaning the secondary spends by guests was strong.

As seen across the sector, the business experienced increased costs due to inflationary pressures especially with food and beverage, laundry with some increases as high as 30% in year. The sector as a whole has struggled to recruit to key roles, due to a shortage of key posts, which is partly due to the impact of Brexit. This has led to higher staffing costs to recruit to these roles as well as increased agency spend. The impact of the national living wage increase, increased payroll costs by 6.6% in 2022 and 9.7% in 2023. The group was protected from the large increase in energy prices due to the nature of the current contracts in place, but this will be an area of focus on 2024/25.

The business suffered a flood within Park Priory (the bedroom block that is separate to the main hotel building) at the end of March 2023, which left 39 bedrooms out of action for three months, also affecting the financial operation into the first quarter of 2023/24.

The group has experienced some challenges in the period with the implementation of a new financial system which will improve the extraction of data to support operational performance and management decisions. Limited resources were available to support the implementation which led to this taking longer to embed the system and challenges in relation to capturing data, alongside changes within the finance team, which has contributed to delays in the publishing of the financial statements. The group applied for a group VAT registration number and changes to their accounting periods for VAT, which was delayed through no fault of their own. As such the group has not submitted a VAT return for 12 months in the accounts and holds a large VAT liability on the balance sheet of £1.3m which has partly been settled in 2023/24 with payments on accounts in year. The group is working with HMRC to get the returns submitted and time to pay.

The focus on the management team is to manage costs and make changes to continue to deliver the high quality service expected by visitors. The Board of Directors and the Management Team are working together to implement a number of changes to improve the financial position, some of these have been implemented in 2023/24 and future years.

At the year end the group has total equity of £399,681 (2021: £1,665,015).

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of group strategy are subject to several risks.

The key business risks and uncertainties affecting the group are considered to relate to the competition from the hotels in the immediate locality of Coombe Abbey Hotel.

Financial Risk Management

The group is exposed to financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related finance costs.

The hotel industry supply and demand cycle

The hotel industry operates in an inherently cyclical marketplace. A weakening of demand or an increase in market room supply may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance.

Whilst the Brexit Transition period has ended the full effects have yet to filter through to the supply chain. The new Immigration Policies for Sponsor Licence, Minimum Wage increases also provide their own set of challenges.

The group's management prepare timely forecast information and review past levels of business in order to react to the current economic climate.

Litigation

The group may be at risk from various parties with which it interacts, either through direct contractual arrangements, the provision of services or failure to comply with regulatory requirements such as health and safety regulations. The group has processes in place to manage the risks associated with its various contractual relationships and appropriate compliance programmes necessary to provide assurance in respect of regulatory obligations. The business has actively managed this risk through the new role of Head of Compliance, highlighting the importance the business places on health and safety and compliance.

KEY PERFORMANCE INDICATORS

The Directors monitor the performance of the hotel using standard industry key performance indicators to measure against budgetary expectation and year on year comparisons. They do so with reference to the unique trading circumstances associated with operating a hotel out of a 12th Century Abbey situated in 500 acres of Warwickshire parkland. These are reported to the Board on a monthly basis and are based on actual performance of the business vs budget as well as comparison to a local competitor set.

Key performance indicators that are captured regularly are:

- Revenue to budget
- Cost of sales to budget
- EBITDA
- Occupancy and average room rate
- Cost of sales for food and beverage across the different sites
- Average spend on various meals in the hotel
- Number of covers for each sitting
- Payroll and a percentage of revenue

These are closely monitored as they affect key decisions within the business. Balancing occupancy and average room rate helps drive revenue growth and manage demand. Revenue was strong in the period achieving £13.6m over the period, 93.8% of the budget. Occupancy was lower than budgeted at 61.2%, but the average room rate was 11.5% higher than budgeted. This saw a drop of £0.35m in revenue, but also a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market.

Expenditure on food & beverage increased by £0.4m to budget meaning the secondary spends by guests was strong. The business has been working closely with their procurement partner to manage and reduce the cost of sales to drive financial performance in 2023/24.

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

FUTURE DEVELOPMENTS

The group has continued to operate in 2023/24 and a budget has been agreed by the Board of Directors for 2024/25. The flood experienced in March 23, led to 39 bedrooms being out of action for a period of 3 months. Although the business was able to recover the costs incurred through insurance in place, including business interruption for a proportion of cost revenue, the teams have had to work hard to ensure the impact of the flood has not adversely affected the revenue position in 2023/24 and the reputation of the business.

There has been a change in Directors following the year end. John Gregg stepped down as Director in July 2023, with Paul Ward taking on this role as Non-Executive Director. The Board also appointed James Cockell as the industry sector Non-Executive Director from September 2023.

ON BEHALF OF THE BOARD:



Mr A J Walster - Director

21 May 2024

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023**

The directors present their report with the financial statements of the company and the group for the period 1 January 2022 to 31 March 2023.

PRINCIPAL ACTIVITY

The principal activities of the group have not changed during the period under review.

The main operation of Coombe Abbey Park Limited (CAPL) was the management of Coombe Abbey Hotel, set within Coombe Abbey Park. The hotel provides a number of services including accommodation, weddings and conferences, dining services including banquets and afternoon teas, and parkland which includes Go Ape course.

The two subsidiaries within the consolidated group accounts were incorporated on 19th April 2021. These are Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited (NOHM). These companies assist the group in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or management contracts.

The principal activity for Coombe Abbey Park (LACO) Limited in the period under review was that of managing the operations of St Mary's Guildhall and War Memorial Park on behalf of Coventry City Council ('the council'). The legal structure of the company is to deliver contracts on behalf of the Council where they have a hospitality, food and beverage or leisure requirement that meets the skills and experience of the Coombe Abbey team and demonstrates value for money for the Council.

No Ordinary Hospitality Management Limited's main activity in the period under review was the management of the historic cottages in Coventry city centre on behalf of the Historic Coventry Trust. This contract has now come to an end, but the business has also secured contracts with IXL and Stoneleigh Abbey. Any transactions in relation to these new contracts will be reflected in the accounts for 2023/24

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2023.

RESEARCH AND DEVELOPMENT

No specific research and development activities have been undertaken during the year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mr R E Harrison
Mrs P Mudhar
Mr A J Walster

Other changes in directors holding office are as follows:

Mr J C Cockell and Mr P J Ward were appointed as directors after 31 March 2023 but prior to the date of this report.

Mr J Gregg ceased to be a director after 31 March 2023 but prior to the date of this report.

REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023

FINANCIAL INSTRUMENTS

The subsidiaries in the group hold or issue financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations are financed by a mixture of retained profits, finance leases and long term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates.

The Council approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Liquidity risk

A weekly cashflow is shared with the Board of Directors to highlight the financial impact of operational performance and to inform any management action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Credit risk

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

With regards to loans and leases, CAPL meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

POLITICAL DONATIONS AND EXPENDITURE

During the year under review and the previous period the group did not make any donations for political purposes.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The group has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

**REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023**

GOING CONCERN

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in period has only fallen short of budgets by £0.78m, achieving £13.6m. The pressure faced by the business has been in relation to the management of the cost base, which has seen the business achieve a 27% gross profit margin compared to a budgeted position of 26%. Although every effort was made in the period to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans approved to save the business £0.25m over the 12 months, with further savings being explored. The savings should not affect the revenue position.

The financial period includes two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance of the group. All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2023 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The business has a strong cash position which is shared with the Board of Directors on a weekly basis and formally discussed as a 13 week position at each Board meeting. The cash position at the end of May was £0.9m across the business. The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

The budget for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business expects to achieve a positive EBITDA in 2023/24 and an improvement against the existing cost neutral EBITDA in the period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies. The post holder should bring commercial expertise and ideas for growth alongside the overview of the current operation of the business was in post following the date under review.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023

ENGAGEMENT WITH EMPLOYEES

The group has complied with the equal opportunities policies of the Council, as the ultimate owner of the group that in summary are:

- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

The employees in the group are aware of the strong links back to the Council and that any profits paid back as dividends would be utilised within the public sector to deliver front line services "profit with a purpose". The entities undertake briefings to share information that would affect employees and any changes in the business operation they should be aware of to undertake their role or the direction of travel for the organisation.

Disabled employees

The group does not currently have any disabled employees. The Employee Handbook supports the employment of people with disabilities and where possible the company will consider what reasonable adjustments or support may be appropriate.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 and then apply them consistently;
- make judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr A J Walster - Director

21 May 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

Opinion

We have audited the financial statements of Coombe Abbey Park Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2023 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

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 loss for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities set out on page eight, 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 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.

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

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

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
 - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud.
 - assessment of the controls and processes that the Entity has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:

- Management override of control;
- Revenue recognition

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COOMBE ABBEY PARK LIMITED**

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

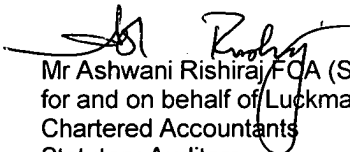
In performing an audit in accordance with UK-adopted international accounting standards and the Companies Act, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

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 Report of the Auditors.

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 a Report of the Auditors 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.



Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: 21st May 2024

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period 1 January 2022 to 31 March 2023**

	Notes	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
CONTINUING OPERATIONS			
Revenue	4	13,636,905	6,767,585
Cost of sales		<u>(9,950,118)</u>	<u>(4,328,683)</u>
GROSS PROFIT		3,686,787	2,438,902
Other operating income	5	526,512	861,320
Administrative expenses		<u>(4,841,166)</u>	<u>(2,843,975)</u>
OPERATING (LOSS)/PROFIT		(627,867)	456,247
Finance costs	8	<u>(1,417,622)</u>	<u>(1,062,358)</u>
LOSS BEFORE INCOME TAX	9	(2,045,489)	(606,111)
Income tax	11	-	-
LOSS FOR THE PERIOD		<u>(2,045,489)</u>	<u>(606,111)</u>
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Revaluation of Leasehold land and buildings		780,155	-
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		<u>780,155</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>(1,265,334)</u></u>	<u><u>(606,111)</u></u>
Profit attributable to: Owners of the parent		<u><u>(2,045,489)</u></u>	<u><u>(606,111)</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>(1,265,334)</u></u>	<u><u>(606,111)</u></u>

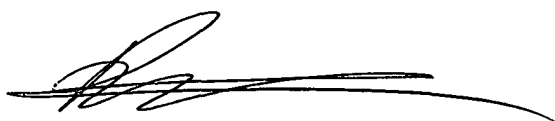
The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2021 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	9,123,210	8,971,222
Right-of-use Property, plant and equipment	13, 22	13,959,306	13,613,425
Investments	14	-	-
		<u>23,082,516</u>	<u>22,584,647</u>
CURRENT ASSETS			
Inventories	15	75,977	69,289
Trade and other receivables	16	1,221,929	1,076,665
Cash and cash equivalents	17	1,305,212	1,727,275
		<u>2,603,118</u>	<u>2,873,229</u>
TOTAL ASSETS		<u>25,685,634</u>	<u>25,457,876</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	780,155	-
Retained earnings	19	(3,676,325)	(1,630,836)
TOTAL EQUITY		<u>399,681</u>	<u>1,665,015</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	21,227,483	21,276,612
CURRENT LIABILITIES			
Trade and other payables	20	2,658,597	1,356,181
Contract liabilities	4	668,001	717,361
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	731,872	442,707
		<u>4,058,470</u>	<u>2,516,249</u>
TOTAL LIABILITIES		<u>25,285,953</u>	<u>23,792,861</u>
TOTAL EQUITY AND LIABILITIES		<u>25,685,634</u>	<u>25,457,876</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2024 and were signed on its behalf by:



Mr R E Harrison - Director

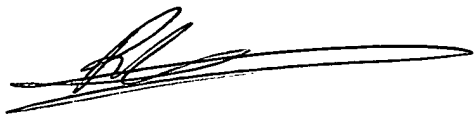
The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2021 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	8,847,786	8,971,222
Right-of-use			
Property, plant and equipment	13, 22	13,879,069	13,613,425
Investments	14	2	2
Trade and other receivables	16	252,000	-
		<u>22,978,857</u>	<u>22,584,649</u>
CURRENT ASSETS			
Inventories	15	66,780	69,289
Trade and other receivables	16	1,202,554	1,072,815
Cash and cash equivalents	17	1,052,123	1,727,275
		<u>2,321,457</u>	<u>2,869,379</u>
TOTAL ASSETS		<u>25,300,314</u>	<u>25,454,028</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	780,155	-
Retained earnings	19	(3,582,550)	(1,634,684)
TOTAL EQUITY		<u>493,456</u>	<u>1,661,167</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	21,160,196	21,276,612
CURRENT LIABILITIES			
Trade and other payables	20	2,291,664	1,356,181
Contract liabilities	4	668,001	717,361
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	686,997	442,707
		<u>3,646,662</u>	<u>2,516,249</u>
TOTAL LIABILITIES		<u>24,806,858</u>	<u>23,792,861</u>
TOTAL EQUITY AND LIABILITIES		<u>25,300,314</u>	<u>25,454,028</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2024 and were signed on its behalf by:



Mr R E Harrison - Director

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period 1 January 2022 to 31 March 2023**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	3,295,851	(1,024,725)	-	2,271,126
Changes in equity				
Total comprehensive income	-	(606,111)	-	(606,111)
Balance at 31 December 2021	<u>3,295,851</u>	<u>(1,630,836)</u>	<u>-</u>	<u>1,665,015</u>
Changes in equity				
Total comprehensive income	-	(2,045,489)	780,155	(1,265,334)
Balance at 31 March 2023	<u><u>3,295,851</u></u>	<u><u>(3,676,325)</u></u>	<u><u>780,155</u></u>	<u><u>399,681</u></u>

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**COMPANY STATEMENT OF CHANGES IN EQUITY
for the period 1 January 2022 to 31 March 2023**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	3,295,851	(1,024,725)	-	2,271,126
Changes in equity				
Total comprehensive income	-	(609,959)	-	(609,959)
Balance at 31 December 2021	<u>3,295,851</u>	<u>(1,634,684)</u>	<u>-</u>	<u>1,661,167</u>
Changes in equity				
Total comprehensive income	-	(1,947,866)	780,155	(1,167,711)
Balance at 31 March 2023	<u><u>3,295,851</u></u>	<u><u>(3,582,550)</u></u>	<u><u>780,155</u></u>	<u><u>493,456</u></u>

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the period 1 January 2022 to 31 March 2023

	Notes	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	1,436,472	172,913
Interest paid		(448,856)	(92,957)
Lease interest paid		(878,125)	(697,827)
Net cash from operating activities		<u>109,491</u>	<u>(617,871)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(535,807)	(251,323)
Sale of tangible fixed assets		-	3,226
Net cash from investing activities		<u>(535,807)</u>	<u>(248,097)</u>
Cash flows from financing activities			
New loans in year		620,000	3,645,992
Loan repayments in year		(510,171)	(1,305,056)
Payment of lease liabilities		(105,576)	(76,664)
Net cash from financing activities		<u>4,253</u>	<u>2,264,272</u>
(Decrease)/increase in cash and cash equivalents		<u>(422,063)</u>	<u>1,398,304</u>
Cash and cash equivalents at beginning of period	2	<u>1,727,275</u>	<u>328,971</u>
Cash and cash equivalents at end of period	2	<u><u>1,305,212</u></u>	<u><u>1,727,275</u></u>

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the period 1 January 2022 to 31 March 2023**

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Loss before income tax	(2,045,489)	(606,111)
Depreciation charges	963,235	671,295
Profit on disposal of fixed assets	-	(645)
Finance costs	1,417,622	1,062,358
	<u>335,368</u>	<u>1,126,897</u>
Increase in inventories	(6,688)	(41,491)
Increase in trade and other receivables	(145,264)	(774,228)
Increase/(decrease) in trade and other payables	1,302,416	(198,751)
(Decrease)/increase in contract liabilities	(49,360)	60,486
Cash generated from operations	<u><u>1,436,472</u></u>	<u><u>172,913</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 March 2023

	31.3.23 £	1.1.22 £
Cash and cash equivalents	<u><u>1,305,212</u></u>	<u><u>1,727,275</u></u>

Year ended 31 December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	<u><u>1,727,275</u></u>	<u><u>328,971</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the period 1 January 2022 to 31 March 2023

1. STATUTORY INFORMATION

Coombe Abbey Park Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

Coombe Abbey Park Group consists of Coombe Abbey Park Limited, Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The group has changed its accounting framework from FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) to UK-adopted international accounting standards. Further information can be found in the notes to the financial statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

Reporting period

These financial statements are prepared for the period 1st January 2022 to 31 March 2023. The comparative results are for the year ended 31 December 2021. The company changed its financial period end date to align with the group in which it is a member.

The principal accounting policies adopted are set out below.

Going concern

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in period has only fallen short of budgets by £0.78m, achieving £13.6m. The pressure faced by the business has been in relation to the management of the cost base, which has seen the business achieve a 27% gross profit margin compared to a budgeted position of 26%. Although every effort was made in the period to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans approved to save the business £0.25m over the 12 months, with further savings being explored. The savings should not affect the revenue position.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023**

The financial period includes two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance of the group. All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2023 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The business has a strong cash position which is shared with the Board of Directors on a weekly basis and formally discussed as a 13 week position at each Board meeting. The cash position at the end of May was £0.9m across the business. The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

The budget for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business expects to achieve a positive EBITDA in 2023/24 and an improvement against the existing cost neutral EBITDA in the period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies. The post holder should bring commercial expertise and ideas for growth alongside the overview of the current operation of the business was in post following the date under review.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

Basis of consolidation

The group's financial statements incorporate the results, cash flows, assets and liabilities of Coombe Abbey Park Limited and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations are recognised using the acquisition method of accounting.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts.

Revenue represents the provision of hotel accommodation, the sale of food and beverages and the provision of room hire and other services. All revenue arises wholly in the United Kingdom.

Sale of goods

Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods.

Rendering of services

Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management

Other operating income

Other operating income relates to joint ventures operations. Where the company has a long term interest and shares control under a contractual arrangement over an economic activity which uses the company's assets and resources but is not set up in a separate entity, the company recognises its assets, liabilities and expenses and a share of income earned from the jointly controlled operation.

Dividend and interest income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Assets under construction	-	not depreciated as not yet in use
Leasehold land and buildings	-	Over 50 years
Plant and machinery	-	Between 5-20 years straight line
Fixtures and fittings	-	10 years straight line
Motor vehicles	-	25% on reducing balance

Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

The gain or loss 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 and loss.

Leasehold land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation and impairment for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Fixed asset investments

In the individual entity financial statements, interests in subsidiaries 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 group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Impairment of property, plant and equipment

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset, the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets

Financial assets are subsequently classified into the following specified categories:

- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

Fair values

Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Taxation

Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

2. ACCOUNTING POLICIES - continued

Leases

The company applies IFRS 16 Leases. Accordingly leases are all accounted for in the same manner:

- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

Employee benefit costs

The company's contributions to defined contribution plans are charged to the statement of profit or loss and other comprehensive income in the period to which the contributions relate.

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

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

Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

Government grants

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

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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.

Deferred tax asset

The company has tax losses available for offset against future trading profits of approximately £7.5m (2021: £6.4m) at the period end. A deferred tax asset in respect of part of these losses of £1.9m (2021 - £1.6m) has not been recognised as the timing of expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition of these in future years as the current restrictions on trading activity arising from Government policy are reviewed.

Accruals

Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on managements best estimate of such costs after considering works performed to the year end date.

4. REVENUE

Revenue from contracts with customers

Disaggregation of revenue

The group generates revenue primarily from Hospitality services.

	2023 £	2021 £
Rendering of services	6,287,229	2,810,354
Sale of goods	7,349,676	3,957,231
	<u>13,636,905</u>	<u>6,767,585</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

4. REVENUE - continued

Disaggregation of revenue

The following table shows revenue from contracts with customers disaggregated by major products and service lines. All revenues are generated in the UK.

Major Service lines	2023 £	2021 £
Accommodation	3,879,396	1,907,436
Food, beverages and catering	7,349,676	3,957,231
Room and marquee hire	1,034,397	483,193
Other services	1,373,436	419,725
	<u>13,636,905</u>	<u>6,767,585</u>

Timing of Revenue Recognition:	2023 £	2021 £
Revenue recognised at a point in time	13,515,356	6,716,504
Revenue recognised over time	121,549	51,081
	<u>13,636,905</u>	<u>6,767,585</u>

The performance obligations from Accommodation revenues are satisfied at a point in time when the rooms are occupied by customers. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms or within 30 days.

The performance obligations from food, beverage and catering revenues are recognised at a point in time when the goods are transferred to the buyer. Invoices for food and beverage revenues are raised on the date the goods are transferred and are usually payable immediately with no payment terms. Invoices for Catering revenues are partially raised in advance of services resulting in a Contract Liability as shown below, with the remaining balance being invoiced on completion of service and payable immediately.

The performance obligations from room hire and marquee revenues are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

For larger corporate events, the performance obligations are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable within 30 days. For weddings the performance obligations are satisfied in advance of the event, with deposits taken at the point of booking and the balance settled before the event. With any additional costs incurred on the day being satisfied at a point in time when the services are provided.

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

4. REVENUE - continued

Contract balances

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Receivables included in "Trade and other receivables"	1,032,078	409,728
Contract liabilities		
Current Contract liabilities	668,001	717,361

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Contract liabilities are recognised when payment is received from customers before the respective performance obligation is satisfied.

5. OTHER OPERATING INCOME

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Other income	526,512	403,183
Government grants	-	458,137
	526,512	861,320

During the year, the group received £nil (2021: £415,280) from the UK Government in respect of the Coronavirus Job Retention Scheme as a result of the Covid-19 pandemic and £nil (2021: £42,857) Local Restriction Support Grant (LRSG).

6. EMPLOYEES AND DIRECTORS

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Wages and salaries	5,429,311	2,720,221
Social security costs	382,805	190,880
Other pension costs	79,984	38,924
	5,892,100	2,950,025

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

6. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the period was as follows:

	Period 1.1.22 to 31.3.23	Year Ended 31.12.21
Management and administration	23	24
Hotel and banquets	302	168
	<u>325</u>	<u>192</u>

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Directors' remuneration	176,850	16,042
Directors' pension contributions to money purchase schemes	8,218	726
	<u>185,068</u>	<u>16,768</u>

7. EXCEPTIONAL ITEMS

Exceptional items of £117,615 include costs for investigating and planning a proposed new redevelopment of the Coombe Abbey Hotel. It was subsequently decided that the redevelopment would not go ahead.

8. NET FINANCE COSTS

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Finance costs:		
Loan interest	539,497	364,531
Hire purchase	1,269	2,933
Leasing	876,856	694,894
	<u>1,417,622</u>	<u>1,062,358</u>

Loan interest represents amounts payable to Coventry City Council in respect of interest charged on loan balances.

9. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Cost of inventories recognised as expense	2,645,482	1,185,744
Leases	50,884	79,672
Depreciation - owned assets	669,117	473,402
Depreciation - assets on hire purchase contracts and finance leases	294,118	197,893
Profit on disposal of fixed assets	-	(645)
	<u>3,663,601</u>	<u>2,036,976</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

10. AUDITORS' REMUNERATION

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Fees payable to the company's auditors for the audit of the company's financial statements	32,507	25,048
Taxation compliance services	1,500	-
	<u>34,007</u>	<u>25,048</u>

11. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose for the period ended 31 March 2023 nor for the year ended 31 December 2021.

Factors affecting the tax expense

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Loss before income tax	(2,045,489)	(606,111)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(388,643)	(115,161)
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	5,263	770
Permanent capital allowances in excess of depreciation	58,164	55,122
Adjustments for deferred tax rates	-	(379,218)
Deferred tax not recognised	325,216	438,487
Tax expense	<u>-</u>	<u>-</u>

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 March 2023.

12. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(1,947,866) (2021 - £(609,959)).

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

13. PROPERTY, PLANT AND EQUIPMENT

Group	Assets under construction £	Leasehold land and buildings £	Improvements to property £	
COST OR VALUATION				
At 1 January 2022	207,677	32,597,197	-	
Additions	-	145,141	293,007	
Disposals	-	-	-	
Revaluations	-	780,155	-	
Reclassification/transfer	(207,677)	-	-	
At 31 March 2023	-	33,522,493	293,007	
DEPRECIATION				
At 1 January 2022	-	10,985,787	-	
Charge for period	-	616,109	48,834	
Eliminated on disposal	-	-	-	
At 31 March 2023	-	11,601,896	48,834	
NET BOOK VALUE				
At 31 March 2023	-	21,920,597	244,173	
At 31 December 2021	207,677	21,611,410	-	
	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 January 2022	3,250,014	2,560,240	43,618	38,658,746
Additions	220,078	66,369	-	724,595
Disposals	-	(266,732)	-	(266,732)
Revaluations	-	-	-	780,155
Reclassification/transfer	207,677	-	-	-
At 31 March 2023	3,677,769	2,359,877	43,618	39,896,764
DEPRECIATION				
At 1 January 2022	2,950,555	2,105,901	31,856	16,074,099
Charge for period	180,768	114,479	3,045	963,235
Eliminated on disposal	-	(223,086)	-	(223,086)
At 31 March 2023	3,131,323	1,997,294	34,901	16,814,248
NET BOOK VALUE				
At 31 March 2023	546,446	362,583	8,717	23,082,516
At 31 December 2021	299,459	454,339	11,762	22,584,647

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

13. PROPERTY, PLANT AND EQUIPMENT - continued

Group

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey, Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the group.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2023 is represented by:

	Leasehold land and buildings £	Improvements to property £	Plant and machinery £
Valuation in 2023	780,155	-	-
Cost	32,742,338	293,007	3,677,769
	<u>33,522,493</u>	<u>293,007</u>	<u>3,677,769</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	-	-	780,155
Cost	2,359,877	43,618	39,116,609
	<u>2,359,877</u>	<u>43,618</u>	<u>39,896,764</u>

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2023 by a member of the Royal Institute of Chartered Surveyors. At 31st December 2021 the fair value of the leasehold land and buildings was not materially different to the carrying value.

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company

	Assets under construction £	Leasehold land and buildings £	Plant and machinery £
COST OR VALUATION			
At 1 January 2022	207,677	32,597,197	3,250,014
Additions	-	40,833	182,577
Disposals	-	-	-
Revaluations	-	780,155	-
Reclassification/transfer	(207,677)	-	207,677
At 31 March 2023	-	33,418,185	3,640,268
DEPRECIATION			
At 1 January 2022	-	10,985,787	2,950,555
Charge for period	-	592,038	174,518
Eliminated on disposal	-	-	-
At 31 March 2023	-	11,577,825	3,125,073
NET BOOK VALUE			
At 31 March 2023	-	21,840,360	515,195
At 31 December 2021	207,677	21,611,410	299,459
	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 January 2022	2,560,240	43,618	38,658,746
Additions	66,369	-	289,779
Disposals	(266,732)	-	(266,732)
Revaluations	-	-	780,155
Reclassification/transfer	-	-	-
At 31 March 2023	2,359,877	43,618	39,461,948
DEPRECIATION			
At 1 January 2022	2,105,901	31,856	16,074,099
Charge for period	114,479	3,045	884,080
Eliminated on disposal	(223,086)	-	(223,086)
At 31 March 2023	1,997,294	34,901	16,735,093
NET BOOK VALUE			
At 31 March 2023	362,583	8,717	22,726,855
At 31 December 2021	454,339	11,762	22,584,647

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023**

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey, Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the company.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2023 is represented by:

	Leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	780,155	-	-	-	780,155
Cost	32,638,030	3,640,268	2,359,877	43,618	38,681,793
	<u>33,418,185</u>	<u>3,640,268</u>	<u>2,359,877</u>	<u>43,618</u>	<u>39,461,948</u>

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2023 by a member of the Royal Institute of Chartered Surveyors. At 31st December 2021 the fair value of the leasehold land and buildings was not materially different to the carrying value.

14. INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 March 2023	2
NET BOOK VALUE	
At 31 March 2023	<u>2</u>
At 31 December 2021	<u>2</u>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Coombe Abbey Park (LACO) Limited

Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United

Nature of business: Hospitality services

Class of shares:	% holding	2023 £	2021 £
Ordinary	100.00		
Aggregate capital and reserves (Loss)/profit for the period/year		<u>(51,932)</u> <u>(52,857)</u>	<u>925</u> <u>924</u>

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023**

14. INVESTMENTS - continued

Company

No Ordinary Hospitality Management Limited

Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United

Nature of business: Hospitality services

Class of shares:	%		
Ordinary	holding		
	100.00	2023	2021
		£	£
Aggregate capital and reserves		(41,841)	2,925
(Loss)/profit for the period/year		<u>(44,766)</u>	<u>2,924</u>

On 19 April 2021, the company incorporated two new subsidiaries Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited. These were to assist the company in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or Management Contract.

15. INVENTORIES

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Finished goods	<u>75,977</u>	<u>69,289</u>	<u>66,780</u>	<u>69,289</u>

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current:				
Trade debtors	1,032,078	409,728	298,263	409,728
Amounts owed by group undertakings	-	-	734,200	47,232
Other debtors	77,570	480,657	75,070	429,575
Prepayments and accrued income	112,281	186,280	95,021	186,280
	<u>1,221,929</u>	<u>1,076,665</u>	<u>1,202,554</u>	<u>1,072,815</u>
Non-current:				
Amounts owed by group undertakings	-	-	252,000	-
	<u>-</u>	<u>-</u>	<u>252,000</u>	<u>-</u>
Aggregate amounts	<u>1,221,929</u>	<u>1,076,665</u>	<u>1,454,554</u>	<u>1,072,815</u>

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Cash in hand	4,937	-	4,937	-
Bank accounts	1,300,275	1,727,275	1,047,186	1,727,275
	<u>1,305,212</u>	<u>1,727,275</u>	<u>1,052,123</u>	<u>1,727,275</u>

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023**

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2021 £
6,001	Ordinary share capital	£0.01	60	60
3,295,791	Deferred shares	£1	3,295,791	3,295,791
			<u>3,295,851</u>	<u>3,295,851</u>

Ordinary shares

Each ordinary share is entitled to one vote, receive dividends and entitles the holder to participate in a return of capital.

Deferred shares

Each deferred share is not entitled to vote, is entitled to receive an aggregate fixed cumulative annual dividend of £1 in total and entitles the holder to participate in a return of capital.

Preference share

Included in other creditors is £1 of preference shares. On winding up it shall receive no payment other than the nominal amount paid up for the share.

19. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	(1,630,836)	-	(1,630,836)
Deficit for the period	(2,045,489)		(2,045,489)
Revaluation of leasehold land and buildings	-	780,155	780,155
At 31 March 2023	<u>(3,676,325)</u>	<u>780,155</u>	<u>(2,896,170)</u>

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	(1,634,684)	-	(1,634,684)
Deficit for the period	(1,947,866)		(1,947,866)
Revaluation of leasehold land and buildings	-	780,155	780,155
At 31 March 2023	<u>(3,582,550)</u>	<u>780,155</u>	<u>(2,802,395)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 £	2021 £	2023 £	2021 £
Current:				
Trade creditors	514,552	802,811	440,076	802,811
Social security and other taxes	1,492,785	174,963	1,236,967	174,963
Other creditors	100,877	71,652	100,877	71,652
Accruals and deferred income	550,383	306,755	513,744	306,755
	<u>2,658,597</u>	<u>1,356,181</u>	<u>2,291,664</u>	<u>1,356,181</u>

21. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	2023 £	2021 £	2023 £	2021 £
Current:				
Other loans	592,010	362,168	592,010	362,168
Leases (see note 22)	139,862	80,539	94,987	80,539
	<u>731,872</u>	<u>442,707</u>	<u>686,997</u>	<u>442,707</u>
Non-current:				
Other loans - 1-2 years	7,811,931	7,841,304	7,811,931	7,841,304
Leases (see note 22)	13,415,552	13,435,308	13,348,265	13,435,308
	<u>21,227,483</u>	<u>21,276,612</u>	<u>21,160,196</u>	<u>21,276,612</u>

Terms and debt repayment schedule

Group

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Other loans	592,010	592,010	1,478,868	5,741,053	8,403,941
Leases	139,862	104,331	223,368	13,087,853	13,555,414
	<u>731,872</u>	<u>696,341</u>	<u>1,702,236</u>	<u>18,828,906</u>	<u>21,959,355</u>

Company

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Other loans	592,010	592,010	1,478,868	5,741,053	8,403,941
Leases	94,987	83,230	177,182	13,087,853	13,443,252
	<u>686,997</u>	<u>675,240</u>	<u>1,656,050</u>	<u>18,828,906</u>	<u>21,847,193</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

21. FINANCIAL LIABILITIES - BORROWINGS - continued

Other loans represent amounts payable to Coventry City Council under loan agreements and are repayable in quarterly instalments with interest rates ranging from 5.15% to 6.75%. The loans are secured by way of a fixed charge against leasehold property and a floating charge on all undertakings of the company.

22. LEASING

Group
Right-of-use assets

Property, plant and equipment

	2023 £	2021 £
COST OR VALUATION		
At 1 January 2022	13,811,318	13,723,969
Additions	145,141	87,349
Revaluations	494,858	-
	<u>14,451,317</u>	<u>13,811,318</u>
 DEPRECIATION		
At 1 January 2022	197,893	-
Charge for year	294,118	197,893
	<u>492,011</u>	<u>197,893</u>
 NET BOOK VALUE	<u><u>13,959,306</u></u>	<u><u>13,613,425</u></u>

Company
Right-of-use assets

Property, plant and equipment

	2023 £	2021 £
COST OR VALUATION		
At 1 January 2022	13,811,318	13,723,969
Additions	40,833	87,349
Revaluations	494,858	-
	<u>14,347,009</u>	<u>13,811,318</u>
 DEPRECIATION		
At 1 January 2022	197,893	-
Charge for year	270,047	197,893
	<u>467,940</u>	<u>197,893</u>
 NET BOOK VALUE	<u><u>13,879,069</u></u>	<u><u>13,613,425</u></u>

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

22. LEASING - continued

Group

Group
Other leases

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Short-term leases	-	21,387
Low-value assets leases	12,102	5,545
Variable lease payments	38,782	52,740
	<u> </u>	<u> </u>

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2023 £	2021 £
Gross obligations repayable:		
Within one year	835,394	774,886
Between one and five years	3,058,119	3,014,805
In more than five years	69,186,716	70,103,663
	<u> </u>	<u> </u>
	73,080,229	73,893,354
Finance charges repayable:		
Within one year	695,532	694,347
Between one and five years	2,730,420	2,738,880
In more than five years	56,098,863	56,944,280
	<u> </u>	<u> </u>
	59,524,815	60,377,507
Net obligations repayable:		
Within one year	139,862	80,539
Between one and five years	327,699	275,925
In more than five years	13,087,853	13,159,383
	<u> </u>	<u> </u>
	13,555,414	13,515,847
	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

22. LEASING - continued

Group

The Group leases Land and Buildings and Plant and Machinery. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Leasehold Land and Buildings include a non-cancellable lease of the Coombe Abbey Hotel from Coventry City Council with a term of 125 years commencing November 2006. The monthly lease rentals are £54,792. The lease includes restrictions on the use of the asset.

Plant and Machinery include non-cancellable leases with terms ranging between one and five years. In some cases, the group has option to purchase assets at the end of the contract term.

In the financial period, the group entered into an agreement to lease land and buildings from Coventry City Council known as the War Memorial Park. The site includes two Cafes and an Ice Cream Kiosk. The minimum non-cancellable term of the lease is for the period commencing on 12th January 2022 and expiring on 31st May 2027. The minimum lease payments are £25,000 per annum. The lease includes restrictions on the use of the asset. The lease agreement includes variable lease payments based on revenues generated from the leased asset. The variable lease payments are not recognised in the lease liability.

In the financial period, the group entered into a non-exclusive license agreement with Coventry City Council to access the land and property at St Mary's Guildhall for the purpose of managing the commercial operations of the site, as defined in the agreement. There are no lease payments due under the agreement which expires on 30th June 2024 and can be extended by up to 12 months on an annual basis.

The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5.15%.

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023**

22. LEASING - continued

**Company
Lease liabilities**

Minimum lease payments fall due as follows:

	2023	2021
	£	£
Gross obligations repayable:		
Within one year	785,394	774,886
Between one and five years	2,983,119	3,014,805
In more than five years	69,186,716	70,103,663
	<u>72,955,229</u>	<u>73,893,354</u>
 Finance charges repayable:		
Within one year	690,407	694,347
Between one and five years	2,722,707	2,738,880
In more than five years	56,098,863	56,944,280
	<u>59,511,977</u>	<u>60,377,507</u>
 Net obligations repayable:		
Within one year	94,987	80,539
Between one and five years	260,412	275,925
In more than five years	13,087,853	13,159,383
	<u><u>13,443,252</u></u>	<u><u>13,515,847</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

23. FINANCIAL INSTRUMENTS

The group holds or issues financial instruments to finance its operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in Coombe Abbey Park group ('the group') are financed by a mixture of retained profits, finance leases and term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £0.4m that can be accessed at commercial rates to invest in capital assets.

Coventry City Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year. This facility has £1.5m available for working capital if required in the future.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade debtors, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The following table shows a maturity analysis of the group's trade debtors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade debtors	1,032,078	832,976	51,802	49,325	97,975
	<u>1,032,078</u>	<u>832,976</u>	<u>51,802</u>	<u>49,325</u>	<u>97,975</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
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Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due.

A weekly cashflow is shared with the Board of Directors for CAPL to highlight the financial impact of operational performance and to inform management of any action that maybe required. The board have visibility of a 13 week cashflow at each monthly meeting as well as the group having a cashflow forecast to the period end. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables

The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31st March 2023, the expected inflows from trade debtors within 30 days was £832,976 and the expected outflows from trade creditors within 30 days was £375,933. The group holds cash reserves of £1,305,212 at the year end which is sufficient to enable the group to meet its expected cash outflows.

The following table shows a maturity analysis of the group's trade creditors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade creditors	514,552	375,933	72,868	7,581	58,170
	<u>514,552</u>	<u>375,933</u>	<u>72,868</u>	<u>7,581</u>	<u>58,170</u>

Exposure to liquidity risk

The following table shows the contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and do not include contractual interest payments and exclude the impact of netting agreements.

	Total £	Less than 1 year £	1-2 years £	2-5 years £	More than 5 years £
Lease liabilities	13,555,414	139,862	104,331	223,368	13,087,853
Other loans	8,403,941	592,010	592,010	1,478,868	5,741,053
	<u>21,959,355</u>	<u>731,872</u>	<u>696,341</u>	<u>1,702,236</u>	<u>18,828,906</u>

With regards to loans and leases the group meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

The group held cash and cash equivalents of £1,305,212 at 31st March 2023.

The group has a line of credit amounting to £1,886,540 which can be accessed at commercial rates of which £1,500,000 relates to a working capital facility.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
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Market risk

Market risk is the risk that changes in market prices will affect the Groups income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk

The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk

The interest rate on the current loans in place is fixed at the point the loans are drawn, mitigating exposure to interest rate risk.

Interest on Other Loans is charged at 4.5% per annum above the Bank of England base rate of interest. Other Loans represent amounts payable to Coventry City Council.

24. **PENSION COMMITMENTS**

The group operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the group are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £63,366 (2021: £38,198) represents contributions payable to these plans by the group at rates specified in the rules of the plans. As at 31st March 2023 contributions of £15,935 (2021: £10,657) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

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for the period 1 January 2022 to 31 March 2023

25. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel

The remuneration of key management personnel of the group, which includes directors, is as follows.

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Aggregate compensation	368,836	286,017	368,836	286,017

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current assets				
Trade receivables	703,295	-	600	-
Current liabilities:				
Trade creditors	89,518	27,120	75,041	27,120
Other creditors	71,653	71,653	71,653	71,653
Accruals and deferred income	273,218	372,477	273,218	372,477

Other entities with common control

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current assets				
Amounts owed by Group undertakings	-	-	734,200	47,232
Non-current assets				
Amounts owed by Group undertakings	-	-	252,000	-

Financial Liabilities with related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current liabilities:				
Other loans	592,010	362,168	592,010	362,168
Lease liabilities	101,998	45,646	57,123	45,646
Non-current liabilities:				
Other loans	7,811,931	7,841,304	7,811,931	7,841,304
Lease liabilities	13,381,480	13,385,145	13,314,194	13,385,145

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
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Right-of-use assets leased from related parties

The following right-of-use assets at the reporting date are relation to lease arrangements with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Non-current assets				
Leasehold land and property	13,710,715	13,353,386	13,630,478	13,353,386

Transactions with related parties

The following transactions occurred with related parties during the period:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Income				
Sales	877,519	46,578	-	-
Expenditure				
Rates and water	467,725	164,977	467,725	164,977
Lease liability interest	871,284	690,389	863,431	690,389
Interest payable to group undertakings	539,497	364,531	539,497	364,531
Depreciation - right-of-use assets	241,837	163,602	217,766	163,602
Other	26,053	52,740	26,053	52,740

Other entities with common control

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Other Income				
Interest income	-	-	22,901	-
Expenditure				
Loan interest	-	-	-	-
Other	-	-	-	-

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

26. ULTIMATE CONTROLLING PARTY

The immediate parent company is Coventry Municipal Holdings Limited whose registered office address is Council House, Coventry, CV1 5RR. The consolidated financial statements of Coombe Abbey Park Limited are incorporated in the consolidated financial statements of Coventry Municipal Holdings Limited which are available from this address.

The ultimate parent company and ultimate controlling party of Coombe Abbey Park Limited is Coventry City Council whose registered office address is Coventry City Council, Council House, Coventry, CV1 5RR. The consolidated financial statements of the group are available from this address.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the period 1 January 2022 to 31 March 2023

27. **FIRST YEAR ADOPTION**

The company has changed its accounting framework from FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) to UK-adopted international accounting standards. The date of transition was 1st January 2021.

The significant changes arising from transition to UK-adopted international accounting standards are the recognition of right-of-use assets and lease liabilities in accordance with IFRS 16 Leases. The company has applied the first-time adopter exemptions in respect of lease liabilities and right-of-use assets and has measured lease liabilities at the date of transition based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition. The adjustments as a result of the transition are shown below.

RECONCILIATION OF EQUITY
1 January 2021
(DATE OF TRANSITION TO IFRSS)

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9,195,882	13,723,968	22,919,850
CURRENT ASSETS			
Inventories	27,798	-	27,798
Trade and other receivables	542,029	(239,592)	302,437
Cash and cash equivalents	328,971	-	328,971
	898,798	(239,592)	659,206
TOTAL ASSETS	<u>10,094,680</u>	<u>13,484,376</u>	<u>23,579,056</u>
SHAREHOLDERS' EQUITY			
Called up share capital	3,295,851	-	3,295,851
Retained earnings	(1,024,725)	-	(1,024,725)
	2,271,126	-	2,271,126
TOTAL EQUITY	<u>2,271,126</u>	<u>-</u>	<u>2,271,126</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	4,234,586	(4,234,586)	-
Contract liabilities	46,727	-	46,727
Financial liabilities - borrowings			
Interest bearing loans and borrowings	7,085	17,643,074	17,650,159
	4,288,398	13,408,488	17,696,886
CURRENT LIABILITIES			
Trade and other payables	2,911,307	(1,356,375)	1,554,932
Contract liabilities	610,149	-	610,149
Financial liabilities - borrowings			
Interest bearing loans and borrowings	13,700	1,432,263	1,445,963
	3,535,156	75,888	3,611,044
TOTAL LIABILITIES	<u>7,823,554</u>	<u>13,484,376</u>	<u>21,307,930</u>
TOTAL EQUITY AND LIABILITIES	<u>10,094,680</u>	<u>13,484,376</u>	<u>23,579,056</u>

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

RECONCILIATION OF EQUITY - continued
31 December 2021

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8,971,222	13,613,425	22,584,647
CURRENT ASSETS			
Inventories	69,289	-	69,289
Trade and other receivables	1,316,258	(239,593)	1,076,665
Cash and cash equivalents	1,727,275	-	1,727,275
	3,112,822	(239,593)	2,873,229
TOTAL ASSETS	12,084,044	13,373,832	25,457,876
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	3,295,851	-	3,295,851
Retained earnings	(1,495,907)	(134,929)	(1,630,836)
	1,799,944	(134,929)	1,665,015
TOTAL EQUITY	1,799,944	(134,929)	1,665,015
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	7,858,263	(7,858,263)	-
Financial liabilities - borrowings			
Interest bearing loans and borrowings	2,432	21,274,180	21,276,612
	7,860,695	13,415,917	21,276,612
CURRENT LIABILITIES			
Trade and other payables	2,418,752	(1,062,571)	1,356,181
Contract liabilities	-	(717,361)	(717,361)
Financial liabilities - borrowings			
Interest bearing loans and borrowings	4,653	438,054	442,707
	2,423,405	92,844	2,516,249
TOTAL LIABILITIES	10,284,100	13,508,761	23,792,861
TOTAL EQUITY AND LIABILITIES	12,084,044	13,373,832	25,457,876

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

RECONCILIATION OF LOSS
for the year ended 31 December 2021

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
Revenue	6,767,585	-	6,767,585
Cost of sales	(4,888,518)	559,835	(4,328,683)
GROSS PROFIT	1,879,067	559,835	2,438,902
Other operating income	861,320	-	861,320
Administrative expenses	(2,844,105)	130	(2,843,975)
Finance costs	(367,464)	(694,894)	(1,062,358)
LOSS BEFORE TAX	(471,182)	(134,929)	(606,111)
LOSS FOR THE PERIOD	(471,182)	(134,929)	(606,111)
Loss attributable to: Owners of the parent	(471,182)	(134,929)	(606,111)

The notes form part of these financial statements