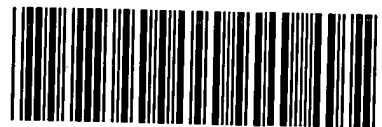


Registered number: 09217618

HAYTON LEISURE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

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HAYTON LEISURE LIMITED

COMPANY INFORMATION

DIRECTORS	Steve Simpson John Jackson
COMPANY SECRETARY	June Carruthers
REGISTERED NUMBER	09217618
REGISTERED OFFICE	Global House 5 Castle Street Carlisle Cumbria CA3 8SY
INDEPENDENT AUDITOR	KPMG LLP Quayside House 110 Quayside Newcastle Upon Tyne NE1 3DX

HAYTON LEISURE LIMITED

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HAYTON LEISURE LIMITED

DIRECTORS' REPORT FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

The directors present their report and the financial statements for the 52-week period ended 26 February 2022.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision, from its hotel, of accommodation, leisure & business conferencing facilities.

On 2 June 2021 the share capital of the Company was acquired by Equorium Property Company Limited.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £61,000 (2021 - loss £352,000).

The directors do not recommend the payment of a dividend (2021 - £nil).

GOING CONCERN

The directors have formed the accounts on a going concern basis, however note a material uncertainty exist see note 1.2 for more information.

DIRECTORS

The directors who served during the period and to the date of this report were:

Steve Simpson

John Jackson

FUTURE DEVELOPMENTS

The Company's underlying performance is expected to continue in the next financial period.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

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



Steve Simpson

Director

Date: 8 June 2023

Global House
5 Castle Street
Carlisle
Cumbria
CA3 8SY

HAYTON LEISURE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 Section 1A, "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYTON LEISURE LIMITED

Opinion

We have audited the financial statements of Hayton Leisure Limited ("the company") for the 52-week period ended 26 February 2022 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 26 February 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 to the financial statements which indicates that the company's ability to continue as a going concern is dependent upon the continued financial support of both the immediate parent undertaking, Equorium Property Company Limited, and Green Spark Holdings Limited.

Financial information and forward-looking forecasts in relation to Green Spark Holdings Limited have been considered by the directors as part of their going concern assessment. However, Green Spark Holdings Limited is a newly incorporated company without audited historical financial information and, as such the ability of that company to continue to provide the ongoing financial support remains uncertain.

These events and conditions, along with the other matters explained in note 1.2, constitute a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the simplistic nature of revenue recognition within the company.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYTON LEISURE LIMITED

We did not identify any additional fraud risks

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYTON LEISURE LIMITED

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle Upon Tyne
NE1 3DX

8 June 2023

HAYTON LEISURE LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022**

		52 weeks ended 26 February 2022 £000	<i>52 weeks ended 27 February 2021 £000</i>
	Note		
Turnover	3	1,251	262
Cost of sales		<u>(306)</u>	<u>(71)</u>
Gross profit		945	191
Administrative expenses		(1,095)	(881)
Other operating income	8	<u>78</u>	<u>441</u>
Loss before taxation	4	(72)	(249)
Tax on loss	9	<u>11</u>	<u>(103)</u>
Loss for the period		<u>(61)</u>	<u>(352)</u>

There was no other comprehensive income for 2022 or 2021, other than the result shown above.

HAYTON LEISURE LIMITED
REGISTERED NUMBER: 09217618

BALANCE SHEET
AS AT 26 FEBRUARY 2022

	Note	26 February 2022 £000	27 February 2021 £000
Fixed assets			
Tangible assets	10	<u>78</u>	<u>8</u>
Current assets			
Stocks	11	16	5
Debtors	12	248	221
Cash at bank and in hand		<u>21</u>	<u>3</u>
		285	229
Creditors: Amounts falling due within one year	13	<u>(2,656)</u>	<u>(2,469)</u>
Net current liabilities		(2,371)	(2,240)
Total assets less current liabilities		<u>(2,293)</u>	<u>(2,232)</u>
Net liabilities		<u>(2,293)</u>	<u>(2,232)</u>
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account		<u>(2,293)</u>	<u>(2,232)</u>
Shareholders' deficit - equity		<u>(2,293)</u>	<u>(2,232)</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies' subject to the small companies' regime.

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



Steve Simpson
Director

Date: 8 June 2023

HAYTON LEISURE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022**

	Retained earnings	Total equity
	£000	£000
At 29 February 2020	(1,880)	(1,880)
Total comprehensive income		
Loss for the period	<u>(352)</u>	<u>(352)</u>
At 27 February 2021	(2,232)	(2,232)
Total comprehensive income		
Loss for the period	<u>(61)</u>	<u>(61)</u>
At 26 February 2022	<u>(2,293)</u>	<u>(2,293)</u>

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

Hayton Leisure Limited (the "Company") is a company incorporated and domiciled in the UK.

These financial statements are drawn up for the 52-period ended 26 February 2022. The comparative figures are for the 52-week period ended 27 February 2021.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Company have been applied consistently throughout the period.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

1.2 Going concern

Notwithstanding net current liabilities of £2,371k as at 26 February 2022 (2021 - £2,240k), and a loss for the period of £61k (2021 - £352k) the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

At the balance sheet date, the company was financed through a loan due to Green Spark Holdings Limited, an unrelated entity, of £2,217k. This amount is interest free, unsecured and repayable on demand. In addition, the company had a loan with its immediate parent company (Equorium Property Company Limited) of £250,000. This amount is interest bearing at 10% per annum, secured on the assets of the company and repayable on demand.

The directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements (the going concern assessment period) which indicate that, taking account of severe but plausible downsides, the company will have sufficient funds to continue to meet its liabilities as they fall due.

These forecasts assume the continuing availability of the existing funding provided by Green Spark Holdings Limited together with new and ongoing funding from the company's immediate parent company, Equorium Property Company Limited.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

1. Accounting policies (continued)

1.2 Going concern (continued)

The company's immediate parent undertaking, Equorium Property Company Limited, has indicated that it will continue to make available such funds as are needed by the company to pay its liabilities as they fall due over the going concern assessment period. Green Spark Holdings Limited has indicated that it will not seek repayment of amounts outstanding for at least that period. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Available financial information and forward-looking forecasts in relation to Green Spark Holdings Limited have been considered by the directors as part of their going concern assessment. However, Green Spark Holdings Limited is a newly incorporated company without audited historical financial information and, as such the ability of that company to continue to provide this ongoing financial support remains uncertain.

Based on the above the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern and, therefore, that the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of hospitality services supplied during the period, exclusive of value added tax. All turnover was derived from continuing activities in the UK.

1.4 Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and the Group will comply with the attached conditions. Government grants are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate. The Company received UK government grants and assistance in relation to the Coronavirus Job Retention Scheme. There are no unfulfilled contingencies attaching to the government assistance that has been recognised. Amounts recognised in the profit and loss are presented under the heading 'Other operating income'.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

1. Accounting policies (continued)

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for similar debt instrument.

1.6 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

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

Depreciation is provided on the following basis:

Fixtures and fittings	13% per annum
-----------------------	---------------

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

1.7 Stocks

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

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

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

1. Accounting policies (continued)

1.8 Impairments excluding stock and deferred tax assets

Financials assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

1. Accounting policies (continued)

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. There are not considered to be any significant judgements or estimates in these financial statements.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

3. Turnover

Turnover arose from hospitality services of £1,251,000 (2021: £262,000) in the UK. All turnover is recognised at the point in time that the service is delivered.

4. Loss before tax

The loss before tax is stated after charging:

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Depreciation of tangible fixed assets (note 10)	4	5

5. Auditor's remuneration

The Company paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the Company:

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Fees for the audit of the Company	10	4

No non-audit fees were charged to the company, in either period by the external auditors.

6. Employees

Staff costs were as follows:

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Wages and salaries	613	600
Social security costs	51	21
Pension contributions	10	6
	674	627

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

	52 weeks ended 26 February 2022 No.	52 weeks ended 27 February 2021 No.
Hotel staff	48	48

The average monthly number of full time equivalent employees, based on contracted hours, during the period was 36 (2021 – 36).

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

7. Directors' remuneration

No directors' emoluments were incurred in either period. The directors did not provide any material qualifying services to the Company. All directors who served during the period were employed by Purepay Retail Limited and were remunerated through that company. There was no key management personnel compensation in either period.

Retirement benefits are accruing to two directors (2021 - two) under a group defined contribution pension scheme.

8. Other operating income

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Government grants	78	441

Amounts in other operating income relate to government grant income claimed by the Company as part of the Coronavirus Job Retention Scheme of £78,407 (2021 - £430,908) and hospitality grants of £Nil (2021 - £10,000).

9. Taxation

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Corporation tax		
Corporation tax on loss for the period	(22)	(53)
Adjustments in respect of previous periods	1	150
Total current tax	(21)	97
Deferred tax		
Origination and reversal of timing differences	8	6
Adjustments in respect of previous periods	2	-
Total deferred tax	10	6
Taxation on loss	(11)	103

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

9. Taxation (continued)

Factors affecting the tax charge for the period

The tax (credit)/charge for the period is higher than (2021 – *higher than*) the standard rate of corporation tax in the UK of 19% (2021 – 19%). The differences are explained below:

	52 weeks ended 26 February 2022 £000	52 weeks ended 27 February 2021 £000
Loss for the period	(61)	(352)
Total tax (credit)/charge	(11)	103
Loss before tax	(72)	(249)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	(14)	(47)
Effects of:		
Adjustments in respect of previous periods	3	150
Total tax (credit)/charge for the period	(11)	103

Factors that may affect future tax charges

The Finance Act 2021, enacted on 10 June 2021 increased the UK tax rate from 19% to 25% from 1 April 2023. This will further increase the Company's deferred tax liabilities which have been calculated based on this rate.

HAYTON LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022**

10. Tangible fixed assets

	Fixtures and fittings £000
Cost	
At 27 February 2021	540
Additions	74
At 26 February 2022	614
Depreciation	
At 27 February 2021	532
Charge for the period	4
At 26 February 2022	536
Net book value	
At 26 February 2022	78
<i>At 27 February 2021</i>	<i>8</i>

11. Stocks

	26 February 2022 £000	27 February 2021 £000
Raw materials and consumables	16	5
Raw materials and consumables recognised in cost of sales for the period	306	71

12. Debtors

	26 February 2022 £000	27 February 2021 £000
Due within one year		
Trade debtors	57	2
Deferred tax (note 14)	20	30
Group relief receivable	168	146
Other debtors, prepayments and accrued income	3	43
	248	221

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEK PERIOD ENDED 26 FEBRUARY 2022

13. Creditors: Amounts falling due within one year

	26 February 2022 £000	27 February 2021 £000
Trade creditors	42	2
Amounts owed to group undertakings	250	2,313
Taxation and social security	29	65
Accruals and deferred income	118	89
Other loans	2,217	-
	<u>2,656</u>	<u>2,469</u>

The loan amount is interest free, unsecured and repayable on demand. The amount due to group undertakings is interest bearing at 10% per annum, secured on the assets of the company and repayable on demand.

14. Deferred taxation

	26 February 2022 £000	27 February 2021 £000
At beginning of the period	(30)	(36)
Charged to the profit or loss	10	6
At end of the period	<u>(20)</u>	<u>(30)</u>

The provision for deferred taxation is made up as follows:

	26 February 2022 £000	27 February 2021 £000
Accelerated capital allowances	<u>(20)</u>	<u>(30)</u>

15. Share capital

	26 February 2022 £	27 February 2021 £
Allotted, called up and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

16. Controlling party

At the year end the Company's ultimate parent undertaking was Banbury Street Holdings Limited. The registered office address of the ultimate parent company is 1 Fleet Place, Farringdon, London, EC4M 7WS.

The Company's immediate parent company is Equorium Property Company Limited which is incorporated in England & Wales. The registered office address of the immediate parent company is Waverley Mills, Waverley Road, Langholm, Scotland, DG13 0EB.

By virtue of his shareholding in the ultimate parent company P. Day remained the ultimate controlling party.