

Company registration number 13998745 (England and Wales)

EXPERIMENTAL MANOR AMETHYST LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

EXPERIMENTAL MANOR AMETHYST LTD

COMPANY INFORMATION

Directors	Mr PC Cros Mr Romee De Goriainoff BT Annable LM Young Mr TJ Gatenby	(Appointed 3 April 2023)
Company number	13998745	
Registered office	19 Gerrard Street London England W1D 6JG	
Auditor	Oliver Clive & Co Limited 14 David Mews London W1U 6EQ	
Business address	Cowley Manor Cowley Cheltenham GL53 9NL	

EXPERIMENTAL MANOR AMETHYST LTD

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EXPERIMENTAL MANOR AMETHYST LTD

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

The directors present the strategic report for the period ended 31 December 2022.

Review of the business

The company's revenue is derived from income from accommodation, food, drinks and other associated services.

Turnover for the period was £2.9m, with an operating loss of £1.3m. Earnings before interest, tax, depreciation and amortisation ("EBITDA") is a key indicator for management. In the year, EBITDA for the company was £-1.0m.

Principal risks and uncertainties

The directors consider the following to be the principal risks and uncertainties facing the group:

Financial risk management objectives

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are detailed below. The company does not enter into complex financial instruments for speculative purposes.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Economic and market risks

The company's results are affected by the economic situation in the United Kingdom. The exit from the European Union, inflation and the decline in the purchasing power of local consumers are having an impact on sales. Rising flight fares and falling purchase power in many countries have an impact on tourism and may also reduce sales. Another risk is the shortage of staff, which creates recruitment difficulties and has a direct impact on the company's payroll and profitability.

Regulatory risks

The company's results are affected by the regulatory environment relating to health and safety, restaurant and bar licensing and general industry standards, principally through the costs and penalties relating to compliance.

Key performance indicators

As noted above, one of the key performance indicators ("KPIs") which the directors monitor is EBITDA. This is reviewed in absolute terms, in relation to budget and prior year comparatives and by reference to the company's debt position.

On behalf of the board

Mr PC Cros

Director

27 September 2023

EXPERIMENTAL MANOR AMETHYST LTD

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the period ended 31 December 2022.

Principal activities

The principal activity of the company is that of managing and operating a hotel and spa.

Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr PC Cros

Mr Romee De Goriainoff

BT Annable

LM Young

Mr TJ Gatenby

(Appointed 3 April 2023)

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr PC Cros

Director

27 September 2023

EXPERIMENTAL MANOR AMETHYST LTD

DIRECTORS' RESPONSIBILITIES STATEMENT ***FOR THE PERIOD ENDED 31 DECEMBER 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

EXPERIMENTAL MANOR AMETHYST LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF EXPERIMENTAL MANOR AMETHYST LTD

Opinion

We have audited the financial statements of Experimental Manor Amethyst Ltd (the 'company') for the period ended 31 December 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

EXPERIMENTAL MANOR AMETHYST LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF EXPERIMENTAL MANOR AMETHYST LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

EXPERIMENTAL MANOR AMETHYST LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF EXPERIMENTAL MANOR AMETHYST LTD

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Emma Benjamin
Senior Statutory Auditor
For and on behalf of Oliver Clive & Co Limited

27 September 2023

Chartered Accountants
Statutory Auditor

14 David Mews
London
W1U 6EQ

EXPERIMENTAL MANOR AMETHYST LTD

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2022

		Period ended 31 December 2022 £
	Notes	
Turnover	3	2,869,794
Cost of sales		(464,393)
		<hr/>
Gross profit		2,405,401
Administrative expenses		(3,670,778)
		<hr/>
Operating loss	4	(1,265,377)
Interest payable and similar expenses	6	(470,366)
		<hr/>
Loss before taxation		(1,735,743)
Tax on loss	7	(114,264)
		<hr/>
Loss for the financial period		(1,850,007)
		<hr/> <hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

EXPERIMENTAL MANOR AMETHYST LTD

STATEMENT OF COMPREHENSIVE INCOME ***FOR THE PERIOD ENDED 31 DECEMBER 2022***

	Period ended 31 December 2022 £
Loss for the period	(1,850,007)
Other comprehensive income	-
Total comprehensive income for the period	<u>(1,850,007)</u>

EXPERIMENTAL MANOR AMETHYST LTD

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£
Fixed assets			
Tangible assets	8		15,104,216
Current assets			
Stocks	9	18,769	
Debtors	10	261,887	
Cash at bank and in hand		2,262,786	
		<u>2,543,442</u>	
Creditors: amounts falling due within one year	11	(11,826,589)	
Net current liabilities			<u>(9,283,147)</u>
Total assets less current liabilities			5,821,069
Provisions for liabilities			
Deferred tax liability	13	114,264	
		<u>(114,264)</u>	
Net assets			<u>5,706,805</u>
Capital and reserves			
Called up share capital	15		101
Share premium account			7,556,711
Profit and loss reserves			<u>(1,850,007)</u>
Total equity			<u>5,706,805</u>

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

Mr PC Cros

Director

Company Registration No. 13998745

EXPERIMENTAL MANOR AMETHYST LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 May 2022		-	-	-	-
Period ended 31 December 2022:					
Loss and total comprehensive income for the period		-	-	(1,850,007)	(1,850,007)
Issue of share capital	15	101	7,556,711	-	7,556,812
Balance at 31 December 2022		101	7,556,711	(1,850,007)	5,706,805

EXPERIMENTAL MANOR AMETHYST LTD

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	2022 £	£
Cash flows from operating activities			
Cash absorbed by operations	19	(220,423)	
Interest paid		(470,366)	
Net cash outflow from operating activities			(690,789)
Investing activities			
Purchase of tangible fixed assets		(15,331,941)	
Net cash used in investing activities			(15,331,941)
Financing activities			
Proceeds from issue of shares		7,556,812	
Repayment of bank loans		10,728,704	
Net cash generated from/(used in) financing activities			18,285,516
Net increase in cash and cash equivalents			2,262,786
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			2,262,786

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Experimental Manor Amethyst Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 19 Gerrard Street, London, England, W1D 6JG.

1.1 Reporting period

The company was incorporated on 23 March 2022, therefore the financial statements have been prepared for a short period of under one year.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods have passed 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 entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue represents the total value of the invoice, excluding sales tax, of sales made during the year. Revenue for the company comprises of the following streams: sale of goods - revenue from the sale of food and beverages is recognised at the point of sale; and sale of services - revenue from room sales and other guest services is recognised when rooms are occupied and services are provided.

1.5 Tangible fixed assets

Tangible fixed assets 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:

Freehold land and buildings	Over 50 years (straight line)
Fixtures and fittings	14% (straight line)
Computers	33% (straight line)

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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

1.6 Impairment of fixed assets

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

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

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

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

1.7 Stocks

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

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.10 Taxation

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

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

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

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

Critical judgements

The company has identified no areas of critical accounting judgements.

The company has identified the following areas of estimation uncertainty within the financial statements which may have a material impact:

Tangible fixed assets

All fixed assets are reviewed for potential impairment using estimates of the future economic benefits attributable to them. Any estimates of future economic benefits made in relation to fixed assets may differ from the benefits that ultimately arise and materially affect the recoverable value of the asset.

3 Turnover

	2022 £
Turnover analysed by class of business	
Food and beverages sales	1,017,858
Hotel room sales	1,330,622
Service charge	61,567
Spa sales	459,747
	<u>2,869,794</u>
	<u>2,869,794</u>
	2022 £
Turnover analysed by geographical market	
United Kingdom	<u>2,869,794</u>
	<u>2,869,794</u>

4 Operating loss

	2022 £
Operating loss for the period is stated after charging:	
Fees payable to the company's auditor for the audit of the company's financial statements	20,000
Depreciation of owned tangible fixed assets	227,725
	<u>247,725</u>

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

5 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

**2022
Number**

63

Their aggregate remuneration comprised:

**2022
£**

Wages and salaries	1,194,122
Social security costs	84,862
Pension costs	42,973
	<u>1,321,957</u>

6 Interest payable and similar expenses

**2022
£**

Interest on financial liabilities measured at amortised cost:

Interest on bank overdrafts and loans	470,366
	<u>470,366</u>

7 Taxation

**2022
£**

Deferred tax

Origination and reversal of timing differences	114,264
	<u>114,264</u>

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

7 Taxation

(Continued)

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	2022
	£
Loss before taxation	(1,735,743)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(329,791)
Tax effect of expenses that are not deductible in determining taxable profit	81
Unutilised tax losses carried forward	381,727
Permanent capital allowances in excess of depreciation	(95,285)
Depreciation on assets not qualifying for tax allowances	43,268
Deferred tax	114,264
Taxation charge for the period	114,264

As of 1 April 2023 the main rate of corporation tax for companies with profits over £250,000 will be 25%. Companies with profits less than £250,000 and more than £50,000 will be subject to corporation tax at the main rate with marginal relief. Companies with profits less than £50,000 will be subject to corporation tax at a rate of 19%.

8 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 May 2022	-	-	-	-
Additions	14,830,827	500,000	1,114	15,331,941
At 31 December 2022	14,830,827	500,000	1,114	15,331,941
Depreciation and impairment				
At 1 May 2022	-	-	-	-
Depreciation charged in the period	183,666	44,048	11	227,725
At 31 December 2022	183,666	44,048	11	227,725
Carrying amount				
At 31 December 2022	14,647,161	455,952	1,103	15,104,216

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

8 Tangible fixed assets (Continued)

A fixed and floating charge and a negative pledge has been made against the property The Stable Block, land registry title number GR159704 in favour of the following party:

Situs Asset Management Limited as Security Agent or Security Trustee for and on Behalf of the Secured Parties

A fixed charge and negative pledge has been made against the company in favour of the following party:

Situs Asset Management Limited Acting as Security Agent or Security Trustee for the Secured Parties.

9 Stocks

2022
£

Finished goods and goods for resale	18,769
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10 Debtors

2022
£

Amounts falling due within one year:

Trade debtors	149,493
Other debtors	12,947
Prepayments and accrued income	99,447
	261,887

11 Creditors: amounts falling due within one year

Notes
2022
£

Bank loans	12	10,728,704
Trade creditors		465,110
Taxation and social security		35,518
Other creditors		78,913
Accruals and deferred income		518,344
		11,826,589

12 Loans and overdrafts

2022
£

Bank loans	10,728,704
Payable within one year	10,728,704

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

12 Loans and overdrafts

(Continued)

The long-term loans are secured by a fixed and floating charge over all the assets of the company .

Bank loans are repayable by 20 July 2023. Interest is charged at 4.5% per annum.

13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities £
Balances:		
Accelerated capital allowances	114,264	-
	<u> </u>	<u> </u>
Movements in the period:		2022 £
Liability at 1 May 2022		-
Charge to profit or loss		114,264
		<u> </u>
Liability at 31 December 2022		114,264
		<u> </u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

14 Retirement benefit schemes

	2022 £
Defined contribution schemes	
Charge to profit or loss in respect of defined contribution schemes	42,973
	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

	2022 Number	2022 £
Ordinary share capital Issued and fully paid		
Ordinary shares of £1 each	101	101
	<u> </u>	<u> </u>

16 Financial commitments, guarantees and contingent liabilities

As at 31 December 2022, the company had committed to £7m of capital expenditure.

EXPERIMENTAL MANOR AMETHYST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

17 Events after the reporting date

On 20 July 2023 the company refinanced borrowings. £10.7m was repaid in full to Goldman Sachs Bank Europe SE and a new loan of £12.8m was agreed with Starfin Lux 8 SARL.

18 Ultimate controlling party

The company's immediate parent company is Amethyst Enchanted Lux Propco 3 SARL.

The company is jointly controlled by Experimental Group SAS and Brookfield Asset Management Inc, who own 7.5% and 92.5% of the share capital of Amethyst Enchanted Lux Propco 3 SARL, respectively.

19 Cash absorbed by operations

	2022 £
Loss for the period after tax	(1,850,007)
Adjustments for:	
Taxation charged	114,264
Finance costs	470,366
Depreciation and impairment of tangible fixed assets	227,725
Movements in working capital:	
Increase in stocks	(18,769)
Increase in debtors	(261,887)
Increase in creditors	1,097,885
Cash absorbed by operations	<u>(220,423)</u>

20 Analysis of changes in net debt

	1 May 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	-	2,262,786	2,262,786
Borrowings excluding overdrafts	-	(10,728,704)	(10,728,704)
	<u>-</u>	<u>(8,465,918)</u>	<u>(8,465,918)</u>

21 Auditor's liability limitation agreement

The company entered into a limited liability agreement with its auditor, Oliver Clive & Co Limited, in respect of a £250,000 limited liability, as agreed on 1 November 2022 in the terms of the audit engagement.

