

**Group Strategic Report, Report of the Directors and**  
**Consolidated Financial Statements for the Year Ended 31 October 2018**  
**for**  
**Investfront (Oxon) Limited**



**Investfront (Oxon) Limited**

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for the Year Ended 31 October 2018**

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**Investfront (Oxon) Limited**

**Company Information**  
**for the Year Ended 31 October 2018**

**DIRECTORS:**

Mr GJ Payne  
Mrs M Payne  
Miss EL Payne  
Mr BJ Payne  
Mr MO Payne

**REGISTERED OFFICE:**

Bicester Hotel  
Chesterton  
Bicester  
Oxfordshire  
OX26 1TE

**REGISTERED NUMBER:**

06125827 (England and Wales)

**AUDITORS:**

Peter Upton (Statutory Auditor)  
PO Box 782  
Maidenhead  
Berks  
SL6 1FR

**Investfront (Oxon) Limited**

**Group Strategic Report**  
**for the Year Ended 31 October 2018**

The directors present their strategic report of the company and the group for the year ended 31 October 2018.

**REVIEW OF BUSINESS**

The subsidiary saw a slight reduction in turnover over the previous year yet increased profitability through greater efficiency. The local rooms market had levelled out during the year following the introduction of additional rooms to the area in the previous period and that allowed the company to re-establish itself as a leader in the local market. Occupancy levels have recovered, and with a growth too in average rate, RevPar has increased consistently. Golf subscriptions have followed national trends, with a continued decrease in membership numbers, however additional income from other golf segments have partially compensated for this and the contribution from golf operations has increased tremendously. The Health Club performance was comparable with last year with both sales and contribution seeing little change, however there are significant development plans for the coming year in this area which will see the offering greatly improved with some very unique facilities.

An increase in the National Living Wage was absorbed within an overall reduced payroll spend, compared to the previous year. This saving, along with other operational cost reduction initiatives, resulted in a net profit for the year for the subsidiary of £264,860, a significant increase over the year ended October 2017 despite the lower turnover.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principle risks to the business are expected to be the economy, local competition and employment. There remains an element of uncertainty with regards performance within the hospitality sector.

The local area enjoys a low unemployment rate which already puts pressure on recruitment. Brexit will bring with it further challenges in this respect and a strategy to improve staff retention and reduce the need for recruitment is in place. The staff are seen as a major asset which is set to be protected through improved, ongoing training and development.

There are plans for further increases in the number of bedrooms available in the local area, with a national chain recently announcing a new venture. We are confident that the demand will increase in line with the additional supply as Bicester continues to grow rapidly, with significant investment projected in both local housing and industry. Additional facilities are due to be added to the resort in order to ensure that market share is at least retained.

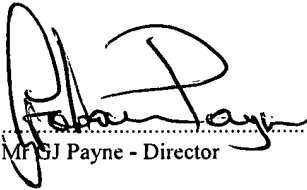
**ANALYSIS USING KEY PERFORMANCE INDICATORS**

Room occupancy for the year increased from 82.0% to 82.7% and average rate increased by 0.6% from £99.49 to £100.09. RevPar was ahead over the previous year, £82.81 from £81.54, because of the increase in accommodation revenue whilst TrevPar was down from £267.54 to £262.96 because total revenue has decreased.

**POSITION AT YEAR END**

A downward revaluation of the Bicester Hotel, Golf and Spa property has caused the net assets to reduce despite the company making a profit on operational activities. Additional investment in the property during the course of the next financial year is expected to see this reversed, subject market conditions. Finance lease debt due after one year is falling as liabilities are repaid.

**ON BEHALF OF THE BOARD:**

  
MFGJ Payne - Director

Date: 24 April 2019

**Investfront (Oxon) Limited**

**Report of the Directors**  
**for the Year Ended 31 October 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2018.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of hotel and leisure facility operation.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 October 2018.

**FUTURE DEVELOPMENTS**

The directors are committed to improve the existing resort and also levels of service, whilst adding new facilities for the company's members and other guests. Planning has been approved and finance secured to build an additional 60 bedrooms, along with a high performance gym and outdoor leisure area which are already under construction. These additional leisure facilities are expected to open in the Autumn of 2019.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 November 2017 to the date of this report.

Mr GJ Payne  
Mrs M Payne  
Miss EL Payne  
Mr BJ Payne  
Mr MO Payne

**GOING CONCERN**

The directors consider the company to be a going concern as detailed in note 23 of the financial statements.

**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 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 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.

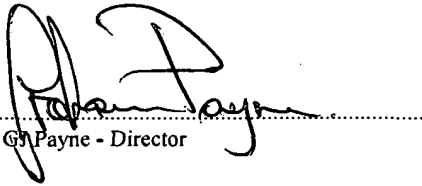
**Investfront (Oxon) Limited**

**Report of the Directors**  
**for the Year Ended 31 October 2018**

**AUDITORS**

The auditors, Peter Upton (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'GJ Payne', is written over a horizontal dotted line.

Mr GJ Payne - Director

Date: 24 April 2019

**Report of the Independent Auditors to the Members of  
Investfront (Oxon) Limited**

**Opinion**

We have audited the financial statements of Investfront (Oxon) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 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 group's and of the parent company affairs as at 31 October 2018 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Emphasis of matter**

We draw your attention to note 20 in the financial statements regarding related parties and the company's reliance on its shareholder for the provision of financing from which the group operates. The implication of this is that the ability for the group to continue as a going concern is reliant on the continuing viability of its shareholder. The directors have provided more information in note 23. Our opinion is not modified in respect of this matter.

**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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the 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.

**Report of the Independent Auditors to the Members of  
Investfront (Oxon) Limited**

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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.

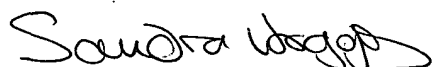
**Auditors' responsibilities for the audit of the financial statements**

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.

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](http://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.



Sandra Higgins (Senior Statutory Auditor)  
for and on behalf of Peter Upton (Statutory Auditor)  
PO Box 782  
Maidenhead  
Berks  
SL6 1FR

Date: 24 April 2019



**Investfront (Oxon) Limited****Consolidated Statement of Comprehensive Income**  
**for the Year Ended 31 October 2018**

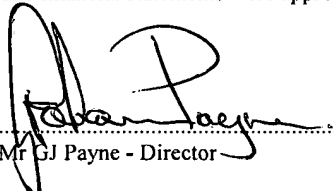
	Notes	31.10.18 £	31.10.17 £
<b>TURNOVER</b>		4,986,918	5,354,598
Cost of sales		2,366,428	2,493,237
<b>GROSS PROFIT</b>		2,620,490	2,861,361
Administrative expenses		2,105,916	2,031,488
<b>OPERATING PROFIT</b>	4	514,574	829,873
Interest receivable and similar income		-	746
Gain/loss on revaluation of tangible assets		514,574 (400,000)	830,619 -
		114,574	830,619
Interest payable and similar expenses	5	582,045	532,019
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(467,471)	298,600
Tax on (loss)/profit	6	(36,553)	18,059
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(430,918)	280,541
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>		(430,918)	280,541
(Loss)/profit attributable to: Owners of the parent		(430,918)	280,541
Total comprehensive income attributable to: Owners of the parent		(430,918)	280,541

The notes form part of these financial statements

**Investfront (Oxon) Limited (Registered number: 06125827)****Consolidated Balance Sheet****31 October 2018**

	Notes	31.10.18 £	31.10.17 £
<b>FIXED ASSETS</b>			
Tangible assets	8	12,680,953	12,908,611
Investments	9	-	-
		<u>12,680,953</u>	<u>12,908,611</u>
<b>CURRENT ASSETS</b>			
Stocks	10	98,051	100,322
Debtors	11	2,097,997	2,562,160
Cash at bank		50,604	141,457
		<u>2,246,652</u>	<u>2,803,939</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	7,930,751	8,141,776
<b>NET CURRENT LIABILITIES</b>		<u>(5,684,099)</u>	<u>(5,337,837)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,996,854</u>	<u>7,570,774</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	9,391,631	9,534,633
<b>NET LIABILITIES</b>		<u>(2,394,777)</u>	<u>(1,963,859)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	1	1
Revaluation reserve	19	(1,654,922)	(1,322,922)
Retained earnings	19	(739,856)	(640,938)
<b>SHAREHOLDERS' FUNDS</b>		<u>(2,394,777)</u>	<u>(1,963,859)</u>

The financial statements were approved by the Board of Directors on 24 April 2019 and were signed on its behalf by:

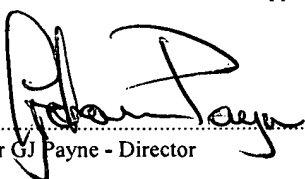
  
 Mr GJ Payne - Director

The notes form part of these financial statements

**Investfront (Oxon) Limited (Registered number: 06125827)****Company Balance Sheet  
31 October 2018**

	Notes	31.10.18 £	31.10.17 £
<b>FIXED ASSETS</b>			
Tangible assets	8	12,680,953	12,908,611
Investments	9	1,359,071	1,139,623
		<u>14,040,024</u>	<u>14,048,234</u>
<b>CURRENT ASSETS</b>			
Debtors	11	956,896	1,356,002
Cash at bank		457	38,000
		<u>957,353</u>	<u>1,394,002</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	8,016,921	8,073,226
<b>NET CURRENT LIABILITIES</b>		<u>(7,059,568)</u>	<u>(6,679,224)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,980,456</u>	<u>7,369,010</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	9,096,274	9,016,605
<b>NET LIABILITIES</b>		<u>(2,115,818)</u>	<u>(1,647,595)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	1	1
Revaluation reserve	19	(1,654,922)	(1,322,922)
Fair value reserve	19	(1,361,969)	(1,544,112)
Retained earnings	19	901,072	1,219,438
<b>SHAREHOLDERS' FUNDS</b>		<u>(2,115,818)</u>	<u>(1,647,595)</u>
Company's (loss)/profit for the financial year		<u>(468,223)</u>	<u>596,806</u>

The financial statements were approved by the Board of Directors on 24 April 2019 and were signed on its behalf by:

  
 Mr GJ Payne - Director

The notes form part of these financial statements

**Investfront (Oxon) Limited****Consolidated Statement of Changes in Equity**  
**for the Year Ended 31 October 2018**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Fair value reserve £	Total equity £
Balance at 1 November 2016	1	(1,096,574)	(1,154,843)	7,016	(2,244,400)
Changes in equity					
Total comprehensive income	-	455,636	(168,079)	(7,016)	280,541
Balance at 31 October 2017	1	(640,938)	(1,322,922)	-	(1,963,859)
Changes in equity					
Total comprehensive loss	-	(98,918)	(332,000)	-	(430,918)
Balance at 31 October 2018	1	(739,856)	(1,654,922)	-	(2,394,777)

The notes form part of these financial statements

**Investfront (Oxon) Limited****Company Statement of Changes in Equity**  
**for the Year Ended 31 October 2018**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Fair value reserve £	Total equity £
Balance at 1 November 2016	1	1,629,016	(1,154,843)	(2,718,575)	(2,244,401)
Changes in equity					
Total comprehensive income	-	(409,578)	(168,079)	1,174,463	596,806
Balance at 31 October 2017	1	1,219,438	(1,322,922)	(1,544,112)	(1,647,595)
Changes in equity					
Total comprehensive income	-	(318,366)	(332,000)	182,143	(468,223)
Balance at 31 October 2018	1	901,072	(1,654,922)	(1,361,969)	(2,115,818)

The notes form part of these financial statements

**Investfront (Oxon) Limited****Consolidated Cash Flow Statement**  
**for the Year Ended 31 October 2018**

	Notes	31.10.18 £	31.10.17 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	821,317	1,273,200
Interest paid		(508,703)	(528,910)
Interest element of hire purchase and finance lease rental payments paid		(11,645)	(3,109)
Net cash from operating activities		<u>300,969</u>	<u>741,181</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(326,574)	(333,056)
Interest received		-	746
Net cash from investing activities		<u>(326,574)</u>	<u>(332,310)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	9,093,248
Loan repayments in year		-	(9,301,613)
Capital repayments in year		(65,248)	(90,869)
Net cash from financing activities		<u>(65,248)</u>	<u>(299,234)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(90,853)</u>	<u>109,637</u>
Cash and cash equivalents at beginning of year	2	141,457	31,820
Cash and cash equivalents at end of year	2	<u><u>50,604</u></u>	<u><u>141,457</u></u>

The notes form part of these financial statements

**Investfront (Oxon) Limited****Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31 October 2018****1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.10.18	31.10.17
	£	£
(Loss)/profit before taxation	(467,471)	298,600
Depreciation charges	184,933	180,468
Loss on disposal of fixed assets	-	37,338
Loss on revaluation of fixed assets	400,000	-
Finance costs	582,045	532,019
Finance income	-	(746)
	<hr/>	<hr/>
	699,507	1,047,679
Decrease in stocks	2,271	2,369
Decrease/(increase) in trade and other debtors	500,716	(365,680)
(Decrease)/increase in trade and other creditors	(381,177)	588,832
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>821,317</b>	<b>1,273,200</b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 October 2018**

	31.10.18	1.11.17
	£	£
Cash and cash equivalents	50,604	141,457

**Year ended 31 October 2017**

	31.10.17	1.11.16
	£	£
Cash and cash equivalents	141,457	108,463
Bank overdrafts	-	(76,643)
	<hr/>	<hr/>
	141,457	31,820

## **Investfront (Oxon) Limited**

### **Notes to the Consolidated Financial Statements** **for the Year Ended 31 October 2018**

#### **1. STATUTORY INFORMATION**

Investfront (Oxon) 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.

The presentation currency of the financial statements is the Pound Sterling (£).

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

##### **Basis of consolidation**

The consolidated accounts are prepared in accordance with the group's accounting principles and include the accounts of the parent company and all group companies. The financial statements of subsidiaries are included in the consolidated financial statements from the date that the controlling influence commences until the date that control ceases.

##### **Significant judgements and estimates**

Estimates and judgements are based on historical experience and expectations of future events and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Critical areas of judgement and estimation are:

The freehold property is valued by the directors at the year end based on the value provided by professional valuers in June 2017.

Depreciation on plant and machinery is provided over the estimated useful lives of the assets, as decided by the directors based on their experience in the industry. A straight line depreciation based on cost is considered appropriate, with cost taken to be the original cost of the asset where they are purchased from a related party for continuing use in the business for both the group and the company.

The directors consider that there is no readily available reliable valuation of the subsidiary company so has chosen to value the investment in the company's accounts at its net asset value.

The company has tax losses brought forward from prior years in relation to trading and the revaluation of fixed assets and investments and the directors assume that there will be no challenge from HMRC in respect of submitted tax returns. Deferred tax assets have been included in the financial statements on the basis that future profits and gains will be made and the trading tax losses will be utilised to reduce tax payable in future years, and that the value of fixed assets and investments will increase to at least their original cost value.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

Turnover includes members' club subscriptions receivable, hotel room sales and other golfing and ancillary income receivable from members and visitors, which is recognised on provision of services. Members' joining fees are recognised on receipt, and on ongoing membership fees received in advance are recognised in the period to which they relate.

##### **Tangible fixed assets**

Tangible fixed assets are capitalised at cost. Land and property is subsequently measured at valuation and plant and machinery is subsequently measured at cost less accumulative depreciation and any cumulative impairment losses.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery - over 3, 5 or 10 years

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.



**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 October 2018****2. ACCOUNTING POLICIES - continued****Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company makes payments to defined contribution pensions schemes on behalf of employees. Payments made to the schemes are charged against profits in the accounting period.

**Financial instruments**

The company only has financial assets and liabilities of a kind that qualify as basic financial instruments, which are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently less any impairment losses for bad and doubtful debts.

Creditors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial liabilities are initially recognised at transaction price including any transaction costs and subsequently less any impairment losses for bad and doubtful debts.

**3. EMPLOYEES AND DIRECTORS**

	31.10.18	31.10.17
	£	£
Wages and salaries	2,068,509	2,006,827
Social security costs	157,293	153,563
Other pension costs	17,607	10,764
	<u>2,243,409</u>	<u>2,171,154</u>

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

	31.10.18	31.10.17
Administration	13	9
Hotel	33	36
Food and beverage	37	39
Health and spa	23	26
Golf	10	12
Crèche	7	7
	<u>123</u>	<u>129</u>

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018****3. EMPLOYEES AND DIRECTORS - continued**

Key management are directors of the group companies, who received £64,286 (2017: £41,750) from the group.

	31.10.18	31.10.17
	£	£
Directors' remuneration	<u>62,452</u>	<u>41,750</u>

Pension contributions totalling £222 (2017: Nil) were paid in respect of one of the directors.

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	31.10.18	31.10.17
	£	£
Depreciation - owned assets	114,513	110,856
Depreciation - assets on hire purchase contracts and finance leases	70,420	69,612
Auditors' remuneration	<u>9,000</u>	<u>16,000</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.10.18	31.10.17
	£	£
Bank loan interest	480,197	363,725
Other interest payable	87,147	165,185
Interest on late tax	3,056	-
Hire purchase	<u>11,645</u>	<u>3,109</u>
	<u>582,045</u>	<u>532,019</u>

**6. TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	31.10.18	31.10.17
	£	£
Deferred tax	<u>(36,553)</u>	<u>18,059</u>
Tax on (loss)/profit	<u>(36,553)</u>	<u>18,059</u>

**Reconciliation of total tax (credit)/charge included in profit and loss**

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

	31.10.18	31.10.17
	£	£
(Loss)/profit before tax	<u>(467,471)</u>	<u>298,600</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.410%)	(88,819)	57,958
Effects of:		
Expenses not deductible for tax purposes	8,569	(34,421)
Depreciation in excess of capital allowances	8,130	15,118
Utilisation of tax losses	<u>35,567</u>	<u>(20,596)</u>
Total tax (credit)/charge	<u>(36,553)</u>	<u>18,059</u>

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018****7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

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.

**8. TANGIBLE FIXED ASSETS****Group**

	Freehold property £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>			
At 1 November 2017	12,467,517	1,834,657	14,302,174
Additions	312,420	44,855	357,275
Disposals	-	(17,495)	(17,495)
Revaluations	(400,000)	-	(400,000)
	<hr/>	<hr/>	<hr/>
At 31 October 2018	12,379,937	1,862,017	14,241,954
<b>DEPRECIATION</b>			
At 1 November 2017	17,495	1,376,068	1,393,563
Charge for year	-	184,933	184,933
Eliminated on disposal	(17,495)	-	(17,495)
	<hr/>	<hr/>	<hr/>
At 31 October 2018	-	1,561,001	1,561,001
<b>NET BOOK VALUE</b>			
At 31 October 2018	<hr/> 12,379,937 <hr/>	<hr/> 301,016 <hr/>	<hr/> 12,680,953 <hr/>
At 31 October 2017	<hr/> 12,450,022 <hr/>	<hr/> 458,589 <hr/>	<hr/> 12,908,611 <hr/>

Included in cost or valuation of land and buildings is freehold land of £1,572,000 (2017 - £1,572,000) which is not depreciated.

Freehold property was valued by Tim Stoye FRICS and Ben Packard MRICS, RICS Registered Valuers, on behalf of Savills (UK) Limited at market value in June 2018.

Cost or valuation at 31 October 2018 is represented by:

	Freehold property £	Plant and machinery £	Totals £
Valuation in 2018	(1,993,882)	-	(1,993,882)
Cost	14,373,819	1,862,017	16,235,836
	<hr/>	<hr/>	<hr/>
	12,379,937	1,862,017	14,241,954
	<hr/>	<hr/>	<hr/>

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 October 2018****8. TANGIBLE FIXED ASSETS - continued****Group**

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £
<b>COST OR VALUATION</b>	
At 1 November 2017	233,876
Additions	30,701
At 31 October 2018	264,577
<b>DEPRECIATION</b>	
At 1 November 2017	62,712
Charge for year	70,420
At 31 October 2018	133,132
<b>NET BOOK VALUE</b>	
At 31 October 2018	131,445
At 31 October 2017	171,164

**Company**

	Freehold property £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>			
At 1 November 2017	12,467,517	601,869	13,069,386
Additions	312,420	44,855	357,275
Revaluations	(400,000)	-	(400,000)
At 31 October 2018	12,379,937	646,724	13,026,661
<b>DEPRECIATION</b>			
At 1 November 2017	-	160,775	160,775
Charge for year	-	184,933	184,933
At 31 October 2018	-	345,708	345,708
<b>NET BOOK VALUE</b>			
At 31 October 2018	12,379,937	301,016	12,680,953
At 31 October 2017	12,467,517	441,094	12,908,611

Included in cost or valuation of land and buildings is freehold land of £1,572,000 (2017 - £1,572,000) which is not depreciated.

Freehold property was valued by Tim Stoye FRICS and Ben Packard MRICS, RICS Registered Valuers, on behalf of Savills (UK) Limited at market value in June 2018.

Cost or valuation at 31 October 2018 is represented by:

	Freehold property £	Plant and machinery £	Totals £
Valuation in 2018	(1,993,882)	-	(1,993,882)
Cost	14,373,819	646,724	15,020,543
	12,379,937	646,724	13,026,661

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018****8. TANGIBLE FIXED ASSETS - continued****Company**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST OR VALUATION</b>	
At 1 November 2017	233,876
Additions	30,701
At 31 October 2018	264,577
<b>DEPRECIATION</b>	
At 1 November 2017	62,712
Charge for year	70,420
At 31 October 2018	133,132
<b>NET BOOK VALUE</b>	
At 31 October 2018	131,445
At 31 October 2017	171,164

**9. FIXED ASSET INVESTMENTS****Company**

	Shares in group undertakings £
<b>COST OR VALUATION</b>	
At 1 November 2017	1,139,623
Revaluations	219,448
At 31 October 2018	1,359,071
<b>NET BOOK VALUE</b>	
At 31 October 2018	1,359,071
At 31 October 2017	1,139,623

Cost or valuation at 31 October 2018 is represented by:

	Shares in group undertakings £
Valuation in 2018	(1,640,929)
Cost	3,000,000
	1,359,071

**Investfront (Oxon) Limited**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018**

**9. FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**Bicester Hotel Ltd**

Registered office: United Kingdom

Nature of business: Hotel, golf club and spa.

Class of shares:	% holding	31.10.18	31.10.17
Ordinary	100.00	£	£
Aggregate capital and reserves		1,359,071	1,139,623
Profit for the year		219,448	78,622

**10. STOCKS**

	Group	31.10.17
	31.10.18	£
Goods for resale	£	£
	98,051	100,322

**11. DEBTORS**

	Group		Company	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	70,359	75,843	-	-
Other debtors	927,252	1,119,075	602	48,562
VAT	-	-	388	105,785
Deferred tax asset	316,265	-	-	-
Prepayments and accrued income	286,055	558,180	149,407	408,531
	<u>1,599,931</u>	<u>1,753,098</u>	<u>150,397</u>	<u>562,878</u>
Amounts falling due after more than one year:				
Deferred tax asset	406,819	686,531	715,252	670,593
Prepayments and accrued income	91,247	122,531	91,247	122,531
	<u>498,066</u>	<u>809,062</u>	<u>806,499</u>	<u>793,124</u>
Aggregate amounts	<u>2,097,997</u>	<u>2,562,160</u>	<u>956,896</u>	<u>1,356,002</u>
Deferred tax asset				
	Group		Company	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Deferred tax	<u>723,084</u>	<u>686,531</u>	<u>715,252</u>	<u>670,593</u>

Other debtors include £926,042 (2017 - £1,116,448) owed by related parties to the group and nil (2017 - £47,350) owed by related parties to the company.

The recoverability of deferred tax depends on future profits of the group and the directors expect most of the recorded assets to be received after one year.

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 October 2018****12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Hire purchase contracts and finance leases (see note 15)	66,410	60,084	9,524	-
Trade creditors	579,255	615,021	144,674	112,696
Amounts owed to group undertakings	-	-	2,708,775	2,629,950
Social security and other taxes	375,602	321,616	-	-
Other creditors	6,496,022	6,651,919	5,139,336	5,283,743
Accruals and deferred income	413,462	493,136	14,612	46,837
	<u>7,930,751</u>	<u>8,141,776</u>	<u>8,016,921</u>	<u>8,073,226</u>

Other creditors include £6,344,845 (2017 - £6,479,623) owed to related parties by the group and £5,139,205 (2017 - £5,236,365) owed to related parties by the company.

Interest on bank loans is payable at 4.5%.

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Bank loans (see note 14)	9,078,302	9,016,605	9,078,302	9,016,605
Hire purchase contracts and finance leases (see note 15)	59,311	93,969	17,972	-
Other creditors	254,018	424,059	-	-
	<u>9,391,631</u>	<u>9,534,633</u>	<u>9,096,274</u>	<u>9,016,605</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>9,078,302</u>	<u>9,016,605</u>	<u>9,078,302</u>	<u>9,016,605</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Hire purchase contracts</b>		<b>Finance leases</b>	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Net obligations repayable:				
Within one year	9,524	-	56,886	60,084
Between one and five years	17,972	-	41,339	93,969
	<u>27,496</u>	<u>-</u>	<u>98,225</u>	<u>154,053</u>

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 October 2018****15. LEASING AGREEMENTS - continued****Company**

	Hire purchase contracts	
	31.10.18	31.10.17
	£	£
Net obligations repayable:		
Within one year	9,524	-
Between one and five years	17,972	-
	<u>27,496</u>	<u>-</u>

**Group**

	Non-cancellable operating leases	
	31.10.18	31.10.17
	£	£
Within one year	<u>585</u>	<u>780</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	31.10.18	31.10.17	31.10.18	31.10.17
	£	£	£	£
Bank loans	9,078,302	9,016,605	9,078,302	9,016,605
Hire purchase contracts and finance leases	<u>125,721</u>	<u>154,053</u>	<u>-</u>	<u>-</u>
	<u>9,204,023</u>	<u>9,170,658</u>	<u>9,078,302</u>	<u>9,016,605</u>

Bank debts and some of the finance leases are secured by mortgages over land and other assets owned by the group.

**17. DEFERRED TAX****Group**

	£
Balance at 1 November 2017	(686,531)
Accelerated capital allowances	(2,921)
Unused tax losses	34,368
Property revaluation	<u>(68,000)</u>
Balance at 31 October 2018	<u>(723,084)</u>

**Company**

	£
Balance at 1 November 2017	(670,593)
Accelerated capital allowances	(2,859)
Unused tax losses	(11,106)
Property revaluation	(68,000)
Investment revaluation	<u>37,306</u>
Balance at 31 October 2018	<u>(715,252)</u>



**Investfront (Oxon) Limited**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018**

**17. DEFERRED TAX - continued**

<b>Group</b>		31.10.18	31.10.17
		£	£
Accelerated capital allowances		127,073	129,994
Losses		(511,197)	(545,565)
Property revaluation		(338,960)	(270,960)
Profit and loss account		<u>(723,084)</u>	<u>(686,531)</u>
<b>Company</b>		31.10.18	31.10.17
		£	£
Accelerated capital allowances		126,789	129,648
Losses		(224,123)	(213,017)
Property revaluation		(338,960)	(270,960)
Investment revaluation		(278,958)	(316,264)
Profit and loss account		<u>(715,252)</u>	<u>(670,593)</u>

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	31.10.18	31.10.17
Number:	Class:		£	£
1	Ordinary	1	<u>1</u>	<u>1</u>

**19. RESERVES**

Group		Retained earnings £	Revaluation reserve £	Totals £	
At 1 November 2017		(640,938)	(1,322,922)	(1,963,860)	
Deficit for the year		(430,918)	-	(430,918)	
Property revaluation		332,000	(332,000)	-	
		<u>          </u>	<u>          </u>	<u>          </u>	
At 31 October 2018		<u>(739,856)</u>	<u>(1,654,922)</u>	<u>(2,394,778)</u>	
Company		Retained earnings £	Revaluation reserve £	Fair value reserve £	Totals £
At 1 November 2017		1,219,438	(1,322,922)	(1,544,112)	(1,647,596)
Deficit for the year		(468,223)	-	-	(468,223)
Property revaluation		332,000	(332,000)	-	-
Investment revaluation		(182,143)	-	182,143	-
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 October 2018		901,072	(1,654,922)	(1,361,969)	(2,115,819)

**Investfront (Oxon) Limited****Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 October 2018****20. RELATED PARTY DISCLOSURES****Entities with control, joint control or significant influence over the entity**

	31.10.18	31.10.17
	£	£
Creditors	3,744,952	4,139,982
Income	-	322,247
Interest Payable	27,500	77,504

Amounts due to related parties are due within one year and are unsecured. Interest was payable at 15% pa on £200,000 of the amount due to a related party.

**Key management personnel of the entity or its parent (in the aggregate)**

	31.10.18	31.10.17
	£	£
Creditors	702,821	633,257
Expenditure	97,659	101,600

Amounts due to related parties are due within one year with no interest payable and are unsecured.

**Other related parties**

	31.10.18	31.10.17
	£	£
Fixed asset additions	1,400	172,000
Debtors	926,042	1,116,448
Creditors	1,897,072	1,706,384
Expenditure	11,407	22,634
Interest payable	1,731	4,501
Bad debts	47,350	-

Amounts due from and to related parties are due within one year and are unsecured. Interest is payable on £54,059 of the amount due to a related party at 8% pa.

**Reliance on related parties**

The group is reliant on its shareholder, the Graham Payne Settlement Trust, to continue to provide unsecured interest free financial support of £4m, for which there is no formal loan agreement in place. The directors Mr GJ Payne and Mrs M Payne are the trustees of this Trust.

Investfront (Oxon) Limited is reliant on its subsidiary, Bicester Hotel Ltd, for rental income to meet its obligations to pay interest on the long term bank loan. Under the terms of the agreement this loan does not require capital repayment until 2022.

**21. EVENTS AFTER THE YEAR END**

A third party has made an unsolicited approach to the company to purchase a proportion of the 'back nine' of the golf course. An option to purchase agreement has been entered into with the third party, agreeing to sell the part of the property for an agreed fee on the basis that they be successful in obtaining planning permission and that their feasibility study supports the venture. Should the third party opt not to purchase the land then they will forfeit any deposit paid.

**22. ULTIMATE CONTROLLING PARTY**

The ultimate controlling parties are Mr GJ Payne and Mrs M Payne, as Trustees for the beneficial owners of the company.

**23. GOING CONCERN**

The group-wide refinancing of long-term debt in September 2017 has resulted in a significant reduction in loan obligations both in the short and longer terms. The company is reliant on its shareholders to continue to provide unsecured, interest free support. Assurances that this support is set to continue have been provided, albeit with no formal arrangement in place. Despite the assurances having been given, the company is intending to start making repayments against the loan and these repayments could become more significant over time as other finance lease and loan agreements expire.