

**Charity Registration Number: 1058900**

**The Incorporated Trustees of The Rotherwick  
Foundation**

**Report and Accounts**

Year ended 31 March 2024

## Trustees' Report

The trustees of the Rotherwick Foundation (the Foundation) present their report together with accounts for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Foundation's trust deed, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution.

## OBJECTIVES AND ACTIVITIES

### Objects and grant policy

The object of the Foundation is the advancement of education, wellness and the relief of the sick especially within a 20 mile radius of either Tylney Hall Hotel, Rotherwick; Ashdown Park Hotel, Wych Cross or The Grand Hotel, Eastbourne.

The Foundation's grant giving policy (which is set out in general guidelines for applicants) is as follows:

- (i) the provision of scholarships, bursaries and maintenance allowances and educational grants tenable at any school, university or other educational establishment to people under 25 who or whose parents or guardians are resident in the specified localities or who attend or have for not less than five years attended a school or other educational establishment within those localities;
- (ii) the provision of financial assistance, equipment, books and clothing to such people on leaving school, university or other educational establishment for entry into a trade or profession;
- (iii) the provision of amenities and facilities including public recreation and sports grounds for public benefit;
- (iv) the advancement of religion and other charitable works and of the maintenance of churches;
- (v) the provision, maintenance, improvement and equipment of hospitals, nursing homes, hospices and clinics;
- (vi) such other charitable purposes as the charity trustees in their absolute discretion think fit to support or establish.

### Public Benefit

The trustees have reviewed the Foundation's objectives and consider that they continue to satisfy the public benefit criteria. As part of this review, the trustees have consulted the guidance issued by the Charity Commissioners with regard to public benefit.

## ACHIEVEMENTS AND PERFORMANCE

The Charity's achievements during the past 12 months are assessed in line with its core aims and objectives to provide financial support to causes focusing on Health and Education plus over-arching strategy set by its Trustees.

### Beneficiaries of Financial Support within the past 12 months - Health, Wellbeing and Education

#### Financial Year 2023/2024

The Foundation supported the following causes during:

**Hampshire Medical Fund** – Provision of non-core equipment to hospitals within the Basingstoke and Andover regions.

**Challengers, Guildford** – Hampshire Play and Youth Services provided for physically and mentally disabled children aged 2-18 yrs.

## Trustees' Report

**Hampshire Hospitals NHS Foundation Trust** – Providing a Complementary Therapy service for palliative patients at Winchester and Andover Hospitals.

**Hearing Dogs for the Deaf** – A 3-year pledge to support the organisation, providing a partnership programme within the vicinity of each of the three Hotels.

**Lord Wandsworth Foundation, Hook** – Financial assistance for two students through the school's Bursary Programme for a 3-year term.

**Royal Academy of Culinary Arts: "Adopt a School" Programme** – Funding over a 3-year period towards their programme at Plumpton College in conjunction with Table Talk Foundation from 2023.

**Teenage Cancer Trust** – Contribution towards the Specialist Nursing Service for young people over a 3-year period commencing 2024.

**St Catherine's Hospice, Crawley** – Over a 2-year period provide donations towards the building of a new Hospice to serve the area and which duly opened in March 2024.

**One-off donations were also provided to the following organisations during 2023/2024:**

**Bramber Bakehouse, Eastbourne** – Working with victims of human trafficking.

**Strongbones Children's Charitable Trust, Hastings** – Sussex based national charity providing equipment for those children who, because of their disability, would otherwise be excluded from education.

**Treloar Trust, Alton** – Providing a donation towards equipment for a new swimming pool facility to allow access for disabled children. The Trustees have also pledged to provide support towards the Trust's 'Replacement of Hoists' project.

**St Wilfrid's Hospice, Eastbourne** – Providing a one-off donation for IT Equipment required for the new role of Community Nursing Services. Further support has also been pledged for 2024 towards the purchase of a Cuddle Bed.

**Support in Kind** – In addition, through the hotel companies, the group is providing support in-kind to various organisations for fund raising events, complimentary meeting rooms etc.

### **Pledges of Support for the Financial Year 2024/2025 onwards**

In addition to the above the Trustees have also agreed to support the following causes:

**Phylis Tuckwell Hospice, Farnham** – Over a 2-year period provide a financial donation towards a new replacement Hospice which is due to open in 2026.

**Eastbourne College** – Provide financial assistance towards the uniforms for one Bursary Student.

**Chailey Heritage Foundation, Chailey** – Provide a donation over 2 years to fund the provision of their Specialist Services programme.

**St. John's Church, Meads, Eastbourne** – Provide a grant towards much needed restoration and refurbishment of the Community Hub with works scheduled to be completed in Autumn 2024.

**Ditchling Museum of Art & Craft, Ditchling** – Donation provided to support access for five groups of disabled children to access the "Bloomin' Brilliant" exhibition.

## Trustees' Report

### Financial review

On 17 August 2023 the foundation entered into a Deed of Appointment which released the Foundation from certain of the conditions that were attached to the gift of shares in West Indies Investments Limited made under the 2008 Deed of Appointment. By consequence the Foundation obtained control of Elite Hotels (Rotherwick) Limited and, in accordance with the requirements of FRS102, has prepared consolidated financial statements representing the performance and position of the group headed by the Foundation. The initial recognition of obtaining control has been treated as a permanent endowment donation as disclosed in note 2.

The Foundation's sole sources of income are grants from Elite Hotels (Rotherwick) Limited or its subsidiary companies (Elite Hotels Group). Elite Hotels (Rotherwick) Limited (which is controlled by West Indies Investments Limited) is itself the holding company for:

- Tylney Hall Hotel Limited,
- Ashdown Park (Sussex) Limited, and
- The Grand Hotel (Eastbourne) Limited

Together these entities are referred to as the Elite Hotels Group.

Total income for the Group in the year was £51,821,595 (2023 - £130,000) of which £37,471,144 (2023: £nil) related to the permanent endowment donation described above. Total grants paid in the year to 31 March 2024 were £44,000 (2023 - £50,500).

In 2024 the hotels were professionally valued. The valuation, undertaken by Christie and Co Chartered Surveyors, gave a collective valuation of the three hotels that continue to be owned by the group of £56.5m. Within the financial statements of Elite Hotels (Rotherwick) Limited the freehold land and buildings are held at a deemed cost following adoption of FRS102 in 2016. The Foundation directly owns 9.09% of the shares in Elite Hotels (Rotherwick) Limited and indirectly through its gift of the entire share capital of West Indies Investments Limited a further 90.91%.

Elite Hotels (Rotherwick) Limited has consolidated equity of £30.9m (2023 - £32.5m), the Trustees are confident that the value of the individual hotels collectively is in excess of £55.8m (2023 - £56.5m). The trustees believe the ordinary shares in Elite Hotels (Rotherwick) limited held both directly and indirectly have a value in the order of £38.1m (2023 - £40.2m).

At the year end, the Group had total reserves of £38,963,290 (2023 - £3,785,430) General unrestricted reserves were £1,492,147 (2023 - £3,785,429) and restricted permanent endowment reserves were £37,471,143 (2023 - £1).

### Reserves Policy

The trustees aim to maintain free reserves at foundation level equivalent to the value of the average of 5 years donations. The trustees consider that this will underpin its commitment to continue regular grants to a number of beneficiaries.

### Investment Policy

The trustees adopt a conservative investment policy taking proper professional advice before implementing any changes.

## **Trustees' Report**

### **Structure, governance and management**

The Foundation was constituted by a Trust Deed dated 11 July 1996 made between West Indies Investments Limited (a Guernsey company) as donor and A H W Dixon, D A Smith and T E Mugleston as original trustees. The Trust Deed was amended by a Supplemental Deed dated 23 October 1996 and Deeds of Amendment dated 28 May 2019 and 2 June 2023. The Foundation is a registered charity in England & Wales, registered with the Charity Commission for England & Wales on 29 October 1996 under charity number 1058900. The trustees are incorporated as a body corporate under the Charities Act 1993 and a Certificate of Incorporation was issued on 20 March 2000 by the Charity Commission for England & Wales in the name of "The Incorporated Trustees of The Rotherwick Foundation".

New trustees, when required, are found in the first instance by the existing trustees. When recruiting new trustees, the trustees look for individuals with skills and experience which are of value to the Foundation and which are not necessarily represented by the existing trustees.

The trustees, who meet four times a year, consider recommendations and make final decisions on the award of grants. The administration of the Foundation is undertaken at no cost to the Foundation by the head office staff of Elite Hotels (Rotherwick) Limited and day to day processing of applications is undertaken by the Managing Director, of the Elite Hotels Group. Mindful of the need for succession planning the trustees are proactively looking to appoint additional trustees over the next 12 months.

#### **Training**

The Foundation does not employ staff. All trustees are experienced business people or professionals. They are all aware of trustee responsibilities. It is not considered necessary to organise or fund any training courses.

#### **Risk Management**

The trustees have assessed the major risks to which the Foundation is exposed, in particular those risks related to the operation and finances of the Foundation, and are satisfied that systems are in place to mitigate exposure to the major risks, although it is recognised that systems can only provide reasonable, not absolute, assurance. These systems are reviewed at least once every year. Further description of the principal risks and uncertainty facing trading subsidiaries is given in the strategic report of the Consolidated Financial Statements of Elite Hotels (Rotherwick) Limited.

#### **Tax status**

The trustees are of the opinion that the Foundation is not liable for taxation on its charitable activities, as described in Note 1.

## Trustees' Report

### Reference and administrative details

Charity Name	The Rotherwick Foundation Registered Charity No: 1058900 (England and Wales)
Trustees	A H Dixon M Q Robinson J M Webb P R Rossiter
Address:	Ashdown Park Wych Cross Forest Row East Sussex RH18 5JR
Administration	Elite Hotels (Rotherwick) Limited Ashdown Park Wych Cross Forest Row East Sussex RH18 5JR
Solicitors:	Payne Hicks Beach Solicitors 10 New Square Lincoln's Inn London WC2A 3QG
Bankers:	HSBC 23/24 Paddington House Festival Place Basingstoke Hants RG21 &LJ
Auditors:	PKF Francis Clark Blackbrook Gate 1 Blackbrook Park Taunton Somerset TA1 2PX
Website:	<a href="http://www.rotherwickfoundation.org">www.rotherwickfoundation.org</a>

## Trustees' Report

### TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 Trustees are required to: select suitable accounting policies and then apply them consistently; make judgments 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; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable the trustees to ensure that the financial statements comply with the requirements of the Charities Act 2011. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each Trustee listed on page 6 has declared that as far as they are aware there is no relevant audit information of which the Foundation's auditors are unaware; and they have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

#### Signature and Declaration

I declare, in my capacity of Foundation trustee, that the trustees have approved the report above and have authorised me to sign it on their behalf.

Signature: .....

A.H. Dixon

Date: .....

16<sup>th</sup> January 2025

## **Independent auditors' report**

**to the members of The Incorporated Trustees of The Rotherwick Foundation**

### **Opinion**

We have audited the financial statements of The Rotherwick Foundation (the 'parent Charity') and its subsidiaries ("the Group") for the year ended 31 March 2024, which comprise the Consolidated Statement of Changes in Financial Activities, Consolidated and Charity balance sheets, Consolidated cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2024 and of the group net income 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 Charities Act 2011.

### **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 Trustees' 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 original financial statements were 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.



## **Independent auditors' report**

**to the members of The Incorporated Trustees of The Rotherwick Foundation**

### **Opinion on other matter prescribed by the Charities Act 2011**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (Incorporating the Strategic Report).

- We have nothing to report in respect of the following matters where the Charities Act 2011 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 parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully on page 8, the Trustees 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 Trustees 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 Trustees 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 Trustees 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.

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:

## **Independent auditors' report**

### **to the members of The Incorporated Trustees of The Rotherwick Foundation**

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Group. We gained an understanding of the Group and the industry in which the Group operates as part of this assessment to identify the key laws and regulations affecting the Group. The key regulations we identified were Charity legislation, health and safety regulations, food standards and licensing laws, employment laws and regulations, health and safety legislation and The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Group's ability to continue trading and the risk of material misstatement to the accounts.

We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and identified the greatest potential for fraud in respect of cut off and completion risk around revenue recognition..

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management whether there have been any known instances of fraud.
- Corroborating management representations through review of board minutes and supporting documentation including any matters reportable under health and safety legislation.
- Review of the most recent Food Hygiene Ratings awarded and findings discussion with management.
- Reviewing the ICO website for any evidence of breaches being reported, coupled with discussions with management in regards to GDPR compliance.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.
- Audited the risk of fraud in revenue recognition with a focus on completeness and cut off of income and treatment of income around the year end.
- Reviewed Charities Commission website to identify any issues/actions being taken.
- Reviewed trustees meeting minutes and made enquiries of trustees.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. 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 omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

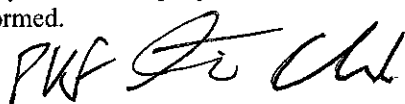
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Independent auditors' report

to the members of The Incorporated Trustees of The Rotherwick Foundation

### 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 Charities Act 2011. 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.



**PKF Francis Clark**

Chartered Accountants and Statutory Auditor

Blackbrook Gate 1

Blackbrook Park

Taunton

Somerset

TA1 2PX

Date: ..... 24<sup>th</sup> JANUARY 2025 .....

*PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

# Consolidated statement of financial activities

for the year ended 31 March 2024

		<i>Unrestricted funds</i>	<i>Permanent endowment</i>	<i>Total</i>	<i>Total</i>
		<i>2024</i>	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>Income from:</b>					
Donations and legacies	2(a)	-	37,471,144	37,471,144	130,000
Other trading activities	2(b)	14,247,383	-	14,247,383	-
Investment income	2(c)	79,936	-	79,936	-
Other income	2(d)	23,132	-	23,132	-
<b>Total</b>		<b>14,350,451</b>	<b>37,471,144</b>	<b>51,821,595</b>	<b>130,000</b>
<b>Expenditure on:</b>					
Charitable activities	3	59,521	-	59,521	114,050
Raising funds	3	16,584,214	-	16,584,214	-
<b>Total</b>		<b>16,643,735</b>	<b>-</b>	<b>16,643,735</b>	<b>114,050</b>
<b>Net income/(expenditure) before transfers</b>		<b>(2,293,284)</b>	<b>37,471,144</b>	<b>35,177,860</b>	<b>15,950</b>
Transfers between funds	6	-	-	-	-
Impairment of investment		-	-	-	(336,000)
<b>Net income/(expenditure) and movement in funds</b>		<b>(2,293,284)</b>	<b>37,471,144</b>	<b>35,177,860</b>	<b>(320,050)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		3,785,429	1	3,785,430	4,105,480
Total funds carried forward		1,492,147	37,471,143	38,963,290	3,785,430

## Consolidated and charity balance sheets

at 31 March 2024

		<i>Consolidated</i>	<i>Charity Consolidated</i>	<i>Charity</i>
		<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>Fixed assets</b>				
Tangible fixed assets	8	56,342,339	-	-
Investments	9	-	38,063,000	3,656,000
		<u>56,342,339</u>	<u>38,063,000</u>	<u>3,656,000</u>
<b>Current assets</b>				
Stocks	10	249,394	-	-
Debtors – amounts due after one year	11	-	-	-
Debtors – amounts due within one year	11	473,264	154,016	154,016
Cash at bank and in hand		904,482	71,758	131,179
		<u>1,627,140</u>	<u>71,758</u>	<u>285,195</u>
<b>Creditors:</b> amounts falling due within one year	12	(18,980,721)	(1,849)	(155,766)
<b>Net current (liabilities)/assets</b>		<u>(17,353,581)</u>	<u>69,909</u>	<u>131,179</u>
<b>Total assets less current liabilities</b>				
<b>liabilities</b>		38,988,758	38,132,909	3,785,429
<b>Creditors:</b> amounts falling due after more than one year	13	(25,468)	-	-
<b>Net assets</b>		<u>38,963,290</u>	<u>38,132,909</u>	<u>3,785,429</u>
<b>Funds</b>				
Permanent endowment	16	37,471,143	37,471,143	1
Unrestricted funds		1,492,147	661,766	3,785,429
<b>Total charity funds</b>		<u>38,963,290</u>	<u>38,132,909</u>	<u>3,785,430</u>

These financial statements were approved by the Trustees on 16 January 2025 and signed on their behalf by:

A H Dixon

Trustee

# Consolidated cash flow statement

for the year ended 31 March 2024

	Notes	2024 £	2023 £
<b>Net cash inflow from operating activities including grants receivable</b>	20(a)	2,430,277	16,050
<b>Cash (outflow) / inflow from investing activities</b>			
Purchase of fixed assets		(954,684)	-
Receipts from disposals of fixed assets		32,001	-
Interest received		79,936	-
		(842,747)	-
<b>Cash (outflow) / inflow from financing activities</b>			
Interest paid		(793,825)	-
Interest element of finance lease rental payments		(20,402)	-
		(814,227)	-
<b>Decrease in cash and cash equivalents</b>		773,303	16,050
Cash and cash equivalents brought forward		131,179	115,129
Cash and cash equivalents carried forward	20(b)	904,482	131,179

## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies

#### ***Constitution***

The Rotherwick Foundation is a Trust, registered with the Charity Commission in England & Wales with a registered number 1058900 on 29 October 1996. Its registered office is Ashdown Park, Wych Cross, Forest Row, East Sussex, RH18 5JR.

#### ***Basis of accounting and basis statement of compliance***

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements comply with the Charities SORP (FRS102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group and Foundation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions or estimates are significant to the financial statements are summarised within this note.

The financial statements are prepared in pounds sterling which is the functional currency of the Group and Foundation.

Monetary amounts in these financial statements are rounded to the nearest pound.

#### ***Going concern***

The trustees have given consideration to the appropriateness of the going concern assertion in the preparation of the financial statements of the foundation. In doing this a number of factors have been considered, including going concern risks impacting the Elite Hotels Group, which include inflation and energy price pressures.

Based on this review the Trustees have concluded there are no material uncertainties in relation to going concern.

#### ***Accounting convention***

The financial statements are prepared in accordance with the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of The Rotherwick Foundation is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies (continued)

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

The consolidated financial statements consolidate the financial statements of the Foundation and its subsidiaries undertakings drawn for the period of eight months up to 31 March 2024.

As described in note 23 the subsidiaries have been consolidated as a result of the Foundation being released from certain conditions attached to the gifting of shares in West Indies Investments Limited.

This transaction has been initially recognised using the purchase method of accounting, which is applied in circumstances where the business combination is in substance a gift under permanent endowment.

#### ***Tangible fixed assets and depreciation***

Tangible assets are initially measured at cost (or deemed cost) and subsequently measured as cost or valuation, net of depreciation or any impairment losses.

The cost of tangible assets included directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful life, as follows:

Furniture, fittings and equipment	- straight line between 3 and 8 years
Plant and machinery	- 5% straight line
Motor vehicles	- 30% reducing balance

Depreciation is provided on freehold land and buildings at 0% per annum on the basis that the hotel are historical buildings, hence the useful economic life cannot be reasonably estimated. Additionally the trustees' opinion (having sought the advice of the Directors of Elite Hotels) is that the residual value of the property is so high that any depreciation charge would be negligible and immaterial. This is in accordance with accounting standard FRS 102. The trustees have considered the value of the property, in light of the recent valuation, and do not believe any impairment to the value included in the financial statements is necessary.

#### ***Revaluation of fixed assets***

Properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.



## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies (continued)

#### ***Impairment of non financial assets***

At each balance sheet date the Directors of Elite Hotels, as advisors to the Trustees review the carrying amount of the company's 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 the asset does not generate cash flows that are independent from other assets the Charity 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 as an expense immediately.

#### ***Fixed asset investments***

Fixed asset investments are included at market value at the balance sheet date. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the period end.

#### ***Stocks***

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

#### ***Donations and Gifts***

Income is recognised once the Charity is entitled to the donation. Donations are recognised on a receivable basis.

#### ***Grant and Donations Issued***

Grants issued are accounted for on payment. All grants and donations issued are for the benefit of Charities.

#### ***Income***

All incoming resources are included in the Consolidated Statement of Financial Activities where the charity is entitled to the income and the amount can be qualified with reasonable accuracy, and is stated net of VAT. The following specific policies are applied to particular categories of income:

- Donations and gifts are recognised once the Charity is entitled to the donation. Donations are recognised on receivable basis.
- Other trading activities – this relates to the principal activities of subsidiaries and revenues is recognised when service and goods are provided.
- Investment income is included when receivable.

## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies (continued)

#### ***Expenditure***

Expenditure is recognised on an accruals basis as a liability is incurred and is reported as part of the expenditure to which it relates. Costs of generating voluntary income comprise the costs associated with attracting voluntary income, and those incurred in trading activities that raise funds. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Taxation***

Income tax expense represents the sum of the current tax currently payable and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

#### ***Defined contribution pension obligation***

For defined contribution scheme the amounts recognised in profit and loss is the contributions payable for the year.

Contributions that are unpaid at the balance sheet date are recognised in creditors less than one year.

#### ***Operating Leases***

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

#### ***Finance leases***

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies (continued)

#### ***Restricted Funds***

##### **Permanent Endowment**

By a deed of appointment made on 22 April 2008, the Foundation accepted a gift of 2 Ordinary Shares of \$1.00 each in West Indies Investments Ltd, a Guernsey registered company. This represents the entire issued shares in this company. The gift of the shares was made on condition that they and/or any property representing them will be treated as non-expendable capital of the Foundation.

#### ***Financial instruments***

##### **Classification**

The group holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans (held by subsidiary); and
- Cash and bank balances.

All financial instruments are classified as basic.

##### **Recognition and measurement**

The charity has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustment. Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

##### ***Critical accounting judgements and key sources of estimation uncertainty***

In the application of the Charity's accounting policies, the Trustees 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. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgement that has significant impact on the financial statements is in respect of going concern, as described above.

## Notes to the financial statements

for the year ended 31 March 2024

### 1. Accounting policies (continued)

The key estimates that have a significant effect on the amounts recognised in the financial statements are described below:

#### **Investments in subsidiary undertakings (note 9)**

Investments in subsidiary undertakings are included at market value at the balance sheet date. The calculation of this market value requires estimation by the Directors of Elite Hotels as advisors to the trustees, which includes estimation of the value of the assets held by Elite Hotels (Rotherwick) Limited.

The investment carrying amount is £38,063,000 (2023 - £3,656,000)

## Notes to the financial statements

for the year ended 31 March 2024

### 2. Income

#### (a) Donations

	<i>Unrestricted funds</i>	<i>Permanent endowment</i>	<i>Total</i>	<i>Total</i>
	<i>2024</i>	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Donations (see note 23)	-	37,471,144	37,471,144	100,000
Donated services	-	-	-	30,000
	-	37,471,144	37,471,144	130,000

Income from donations in the year ended 31 March 2023 was unrestricted.

#### (b) Other trading activities - group

	<i>Unrestricted funds</i>	<i>Permanent endowment</i>	<i>Total</i>	<i>Total</i>
	<i>2024</i>	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Rendering of services	13,886,982	-	13,886,982	-
Grants and subsidies receivable	305,745	-	305,745	-
Rental income	54,656	-	54,656	-
	14,247,383	-	14,247,383	-

Income from trading activities was unrestricted.

The Foundation did not have any income arising from trading activities.

#### (c) Investment income - group

##### Unrestricted income

	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Interest receivable	79,936	-

#### (d) Other income - group

##### Unrestricted income

	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Profit on disposal of tangible fixed assets	23,132	-

## Notes to the financial statements

for the year ended 31 March 2024

### 3. Expenditure

#### Charitable activities

	<i>Unrestricted funds 2024 £</i>	<i>Permanent endowment 2024 £</i>	<i>Total 2024 £</i>	<i>Total 2023 £</i>
Costs of operating				
- grants	44,000	-	44,000	50,500
- support and governance cost***	15,521	-	15,521	63,550
	<u>59,521</u>	<u>-</u>	<u>59,521</u>	<u>114,050</u>

#### Raising funds

	<i>Unrestricted funds 2024 £</i>	<i>Permanent endowment 2024 £'</i>	<i>Total 2024 £</i>	<i>Total 2023 £</i>
Costs of operating and establishment				
- cost of sales	2,502,938	-	2,502,938	-
- direct payroll costs	5,222,840	-	5,222,840	-
- other direct costs	478,917	-	478,917	-
Other operating costs				
- indirect payroll and staff costs	2,575,884	-	2,575,884	-
- premises costs	2,330,382	-	2,330,382	-
- other	1,512,937	-	1,512,937	-
Depreciation				
- owned assets	1,110,888	-	1,110,888	-
Investment write down	-	-	-	336,000
Support costs – governance related ***	55,603	-	55,603	-
Interest payable: -				
Loans held at amortised cost				
- bank loans and overdrafts	793,825	-	793,825	-
	<u>16,584,214</u>	<u>-</u>	<u>16,584,214</u>	<u>336,000</u>

Included above is expenditure on unrestricted funds of £16,584,214 and £nil on restricted funds.

## Notes to the financial statements

for the year ended 31 March 2024

### 3. Expenditure (continued)

	2024	2023
	£	£
(***) Support costs - governance related include		
Auditors' remuneration - audit fees	29,340	-
	<u>          </u>	<u>          </u>

In addition to the audit fees above, fees for non-audit service provided by the auditors (included in other operating costs) were as follows

Taxation fees - corporation tax advice	15,000	-
Other services (including accountancy, cyber and other taxation)	13,113	-
Independent examination fees	-	1,750
	<u>          </u>	<u>          </u>

## Notes to the financial statements

for the year ended 31 March 2024

### 4. Net expenditure from trading activities of subsidiaries

The Rotherwick Foundation had five subsidiary companies during the year ended 31 March 2024 details of which are given in note 9. There are four indirect trading subsidiaries Elite Hotels (Rotherwick) Limited, Ashdown Park (Sussex) Limited, The Grand Hotel (Eastbourne) Limited and Tylney Hall Hotel Limited and one investment holding subsidiary, West Indies Investments Limited.

Elite Hotels (Rotherwick) Limited's principal activity is that of a holding company, involving the provision of management services to its subsidiary undertakings.

A summary of its trading results for the period of eight months since August 2023 is shown below. Audited accounts are filed with the Registrar of Companies.

	2024 £
<b>Profit and loss account</b>	
Turnover	457,200
Gross Profit	457,200
Administrative expenses	(867,853)
Other operating income	8,923
Operating (loss)	(401,730)
Interest receivable	1,519,861
Interest payable and similar charges	(793,825)
Profit before taxation	324,306
Taxation	-
Net income	324,306
<b>Balance sheet</b>	
Fixed assets	32,268
Investments	14,000,300
Current assets	18,252,290
Creditors: amounts falling due within one year	(15,466,457)
Creditors: amounts falling due after more than one year	(310,560)
Net assets	16,507,841
Capital and reserves	16,507,841



## Notes to the financial statements

for the year ended 31 March 2024

### 4. Net expenditure from trading activities of subsidiaries (continued)

Ashdown Park (Sussex) Limited's principal activity is the operation of Ashdown Park Hotel & Country Club in East Sussex. The hotel continues to operate in the luxury hotel market always aiming to deliver distinctly memorable experiences.

A summary of its trading results for the period of eight months since August 2023 is shown below. Audited accounts are filed with the Registrar of Companies.

	2024 £
<b>Profit and loss account</b>	
Turnover	4,016,848
Cost of sales excluding depreciation and amortisation	(2,521,015)
Depreciation and amortisation	(308,289)
Gross Profit	1,187,544
Administrative expenses	(1,935,543)
Other operating income	108,386
Operating (loss)	(639,613)
Interest receivable	15,287
Interest payable and similar charges	(654,034)
(Loss) before taxation	(1,278,360)
Taxation	-
Net loss	(1,242,360)
<b>Balance sheet</b>	
Fixed assets	14,659,185
Current assets	454,354
Creditors: amounts falling due within one year	(1,161,608)
Creditors: amounts falling due after more than one year	(7,781,738)
Net assets	6,170,193
Capital and reserves	6,170,193

## Notes to the financial statements

for the year ended 31 March 2024

### 4. Net expenditure from trading activities of subsidiaries (continued)

The Grand Hotel (Eastbourne) Limited's principal activity is the operation of the Grand Hotel in Eastbourne, East Sussex. The hotel continues to operate in the luxury hotel market always aiming to deliver distinctly memorable experiences.

A summary of its trading results for the period of eight months since August 2023 is shown below. Audited accounts are filed with the Registrar of Companies.

	2024 £
<b>Profit and loss account</b>	
Turnover	6,027,005
Cost of sales excluding depreciation and amortisation	(3,396,687)
Depreciation and amortisation	(499,154)
Gross Profit	2,131,164
Administrative expenses	(2,232,673)
Other operating income	146,793
Share of (loss) / profit from associates	-
Operating profit	45,284
Interest receivable	20,081
Interest payable and similar charges	(746,768)
(Loss) before taxation	(681,403)
Taxation	-
Net loss	(681,403)
<b>Balance sheet</b>	
Fixed assets	23,120,649
Current assets	597,573
Creditors: amounts falling due within one year	(1,307,271)
Creditors: amounts falling due after more than one year	(9,054,846)
Net assets	13,356,105
Capital and reserves	13,356,105

## Notes to the financial statements

for the year ended 31 March 2024

### 4. Net expenditure from trading activities of subsidiaries (continued)

Tylney Hall Hotel Limited's principal activity is the operation of the Tylney Hall Hotel & Gardens in Hampshire. The hotel continues to operate in the luxury hotel market always aiming to deliver distinctly memorable experiences. A summary of its trading results for the period of eight months since August 2023 is shown below. Audited accounts are filed with the Registrar of Companies.

	<b>2024</b>
	<b>£</b>
<b>Profit and loss account</b>	
Turnover	3,843,129
Cost of sales excluding depreciation and amortisation	(2,286,993)
Depreciation and amortisation	(296,570)
Gross Profit	1,259,566
Administrative expenses	(1,950,599)
Other operating income	173,431
Share of (loss) / profit from associates	-
Operating (loss)	(517,602)
Interest receivable	18,577
Interest payable and similar charges	(93,068)
(Loss) before taxation	(592,093)
Taxation	-
Net loss	(592,093)
<b>Balance sheet</b>	
Fixed assets	18,530,237
Current assets	407,839
Creditors: amounts falling due within one year	(1,041,376)
Creditors: amounts falling due after more than one year	(1,345,558)
Net assets	16,551,142
Capital and reserves	16,551,142

## Notes to the financial statements

for the year ended 31 March 2024

### 4. Net expenditure from trading activities of subsidiaries (continued)

West Indies Investments Limited registered in Guernsey is an intermediate holding company. A summary of its trading results for the period of eight months since August 2023 is shown below. Financial statements available with the Registrar of Companies.

	2024 £
<b>Profit and loss account</b>	
Turnover	-
Cost of sales excluding depreciation and amortisation	-
Depreciation and amortisation	-
Gross Profit	-
Administrative expenses	(6,213)
Other operating income	-
Exceptional cost	(1,962,000)
Operating (loss)	(1,968,213)
Interest receivable	-
Interest payable and similar charges	-
(Loss) before taxation	(1,968,213)
Taxation	-
Net loss	(1,968,213)
<b>Balance sheet</b>	
Fixed assets	34,603,000
Current assets	310,560
Creditors: amounts falling due within one year	(2,160)
Creditors: amounts falling due after more than one year	-
Net assets	34,911,400
Capital and reserves	34,911,400

## Notes to the financial statements

for the year ended 31 March 2024

### 5. Staff numbers and costs

The Foundation does not employ any staff.

The average number of staff employed by the subsidiary undertakings (including directors) during the year, analysed by category was as follows:

	<i>2024</i>
	<i>No.</i>
Operational	483
Administration and support	114
	<hr/> 597

The aggregate payroll cost of the subsidiary undertakings for the eight months was as follows:

	<i>2024</i>
	<i>£</i>
Wages and salaries	7,080,488
Social security costs	558,703
Pension costs	159,533
	<hr/> 7,798,724

The Key Management Personnel of the group comprise the Trustees of the Rotherwick Foundation, the Directors of the Elite Hotels (Rotherwick) Group and the Directors of West Indies Investments Limited. There were no emoluments paid to the Trustees in their capacity as trustees. Trustee expenses totalling £235 were incurred during the year. The total emoluments (including pension contributions) paid to the Directors of the subsidiary undertakings amounted to £366,520.

The following numbers of Directors in the subsidiary undertakings had employee benefits of £60,000 or more during the eight months period from August 2023:

	<i>2024</i>
	<i>No.</i>
£120,000-£129,999	1
£110,000-£119,999	-
£100,000-£109,999	-
£90,000-£99,999	-
£80,000-£89,999	1
£70,000-£79,999	1
£60,000-£69,999	-

## Notes to the financial statements

for the year ended 31 March 2024

### 6. Transfers between funds

The £1 restricted fund in the previous year represented the shares in West Indies Investment Limited. These were subject to significant restrictions both in how the Foundation could control West Indies Investments Limited, and how the Foundation could use the proceeds from its shareholding.

As a result West Indies Investments Limited was not consolidated into these accounts, and the £1 shares were shown in Restricted Funds.

During the year, the restrictions on these shares were amended. As a result West Indies Investments Limited (and indirect subsidiaries) are now consolidated into these accounts.

### 7. Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The group has tax losses carried forward of £36,189,056. Deferred tax has not been recognised on all of the carried forward tax losses due to uncertainty surrounding the timing of their utilisation.

## Notes to the financial statements

for the year ended 31 March 2024

### 8. Tangible fixed assets

*Consolidated*

	<i>Land and buildings</i>	<i>Furniture fittings and equipment</i>	<i>Motor vehicles</i>	<i>Plant and machinery</i>	<i>Total</i>
<b>Cost:</b>					
<b>At 1 April 2023</b>	-	-	-	-	-
Additions through business combination	50,758,802	4,472,736	20,226	1,255,648	56,507,412
Additions	31,839	779,140	34,635	109,070	954,684
Disposals	-	-	(8,869)	-	(8,869)
<b>At 31 March 2024</b>	50,790,641	5,251,876	45,992	1,364,718	57,453,227
<b>Depreciation:</b>					
<b>At 1 April 2023</b>	-	-	-	-	-
Charge for the year	-	1,031,514	8,174	71,200	1,110,888
Disposals	-	-	-	-	-
<b>At 31 March 2024</b>	-	1,031,514	8,174	71,200	1,110,888
<b>Net book value:</b>					
<b>At 31 March 2024</b>	50,790,641	4,220,362	37,818	1,293,518	56,342,339
<b>At 31 March 2023</b>	-	-	-	-	-

Included within the net book value of land and buildings above is £50,790,641 in respect of freehold land and buildings.

**Notes to the financial statements**  
for the year ended 31 March 2024

**8. Tangible fixed assets (continued)**

**Assets held under finance leases and hire purchase contracts**

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Fixtures, fittings and equipment	15,847	-



## Notes to the financial statements

for the year ended 31 March 2024

### 9. Fixed asset investments

#### Foundation

As at 31 March 2024 the following fixed asset investments were held by the Foundation.

<i>Name of Company</i>	<i>Shares Held</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
<b>Subsidiary Undertakings</b>			
West Indies Investments Limited	Ordinary	100%	Investment holding company
Elite Hotels (Rotherwick) Limited*	Ordinary	100%	Operation of a hotel and provision of associated services.
Ashdown Park (Sussex) Limited**	Ordinary	100%	Operation of a hotel and provision of associated services.
The Grand Hotel (Eastbourne) Limited**	Ordinary	100%	Operation of a hotel and provision of associated services.
Tyley Hall Hotel Limited **	Ordinary	100%	Operation of a hotel and provision of associated services.

The Foundation directly owns 100% of West Indies Investments Limited and 9.09% of Elite Hotels (Rotherwick) Limited.

\* The Foundation owns 9.09% of this entity directly with the rest held via its interest in West Indies Investments Limited.

\*\* Owned directly via interests in Elite Hotels (Rotherwick) Limited.

Investments are classified as follows:

	<i>Consolidated</i>	<i>Charity Consolidated</i>	<i>Charity</i>
	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Investment in subsidiaries	-	38,063,000	3,656,000
	<u>          </u>	<u>          </u>	<u>          </u>

## Notes to the financial statements

for the year ended 31 March 2024

### 10. Stocks

	<i>Consolidated</i> <i>2024</i> £	<i>Charity Consolidated</i> <i>2024</i> £	<i>Consolidated</i> <i>2023</i> £	<i>Charity</i> <i>2023</i> £
Consumables	249,394	-	-	-
	<u>249,394</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 11. Debtors

	<i>Consolidated</i> <i>2024</i> £	<i>Charity Consolidated</i> <i>2024</i> £	<i>Consolidated</i> <i>2023</i> £	<i>Charity</i> <i>2023</i> £
Trade debtors	256,019	-	-	-
Other debtors	-	-	-	-
Prepayments and accrued income	217,245	-	-	-
Amounts owed by group undertakings	-	-	154,016	154,016
	<u>473,264</u>	<u>-</u>	<u>154,016</u>	<u>154,016</u>

## Notes to the financial statements

for the year ended 31 March 2024

### 12. Creditors: amounts falling due within one year

	<i>Consolidated</i>	<i>Charity Consolidated</i>	<i>Charity</i>
	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Bank loans (note 14)	15,000,000	-	-
Finance leases (note 15)	10,431	-	-
Trade creditors	1,132,144	-	-
Amounts owed to group undertakings	-	-	-
Other tax and social security	557,884	-	-
Other creditors	73,711	-	-
Accruals and payments on account	2,206,551	1,849	1,750
	<u>18,980,721</u>	<u>1,849</u>	<u>1,750</u>

### 13. Creditors: amounts falling due after more than one year

	<i>Consolidated</i>	<i>Charity Consolidated</i>	<i>Charity</i>
	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Finance leases (note 15)	25,468	-	-
	<u>25,468</u>	<u>-</u>	<u>-</u>

## Notes to the financial statements

for the year ended 31 March 2024

### 14. Financial instruments - Loans

The carrying value of the Group and Charity's financial assets and liabilities (excluding trade debtors and trade creditors measured at the undiscounted amount receivable or payable) is summarised below: -

	<i>Consolidated</i> <i>2024</i> £	<i>Charity Consolidated</i> <i>2024</i> £	<i>Consolidated</i> <i>2023</i> £	<i>Charity</i> <i>2023</i> £
Bank loans (see note below)	15,000,000	-	-	-
Less: Included in creditors falling due within one year	(15,000,000)	-	-	-
	-	-	-	-
	<i>Consolidated</i> <i>2024</i> £	<i>Charity Consolidated</i> <i>2024</i> £	<i>Consolidated</i> <i>2023</i> £	<i>Charity</i> <i>2023</i> £
Amounts repayable:				
In less than 1 year	15,000,000	-	-	-
In 2 - 5 years	-	-	-	-
	15,000,000	-	-	-

The amounts shown as bank loans of Elite Hotels (Rotherwick) Limited above are secured by means of:

- A first legal charge over the properties known as the Ashdown Park Hotel, The Grand Hotel Eastbourne, and Tylney Hall Hotel.
- A fixed charge over the book debts of the subsidiary companies;
- A floating charge over the remainder of the group's assets.

On 30 September 2021 the Elite Hotels (Rotherwick) Limited entered into an amendment agreement with regards to its bank loan, whereby the interest rate is now based on SONIA rather than LIBOR. The practical expedient permissible under FRS102 11.20C has been applied in respect of this change.

The bank covenants in place were technically breached during the year, however they were subject to formal waiver and release prior to the balance sheet date. The facility, entered into in February 2019 expired in February 2024 and was renewed by Elite Hotels (Rotherwick) Limited in May 2024 for a further two years to February 2026 with quarterly capital repayments falling due of £150k.

## Notes to the financial statements

for the year ended 31 March 2024

### 15. Finance leases

Obligations under Finance lease and hire purchase contracts, are due as follows:

<i>Group</i>	<i>2024</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Within one year	10,431	-
Between two and five years	25,468	-
	<u>35,899</u>	<u>-</u>
Less: amounts falling due within one year	(10,431)	-
	<u>25,468</u>	<u>-</u>

Obligations under finance lease and hire purchase contracts are secured over the assets to which they relate.

### 16. Permanent endowment

	<i>Balance</i>	<i>Transfer to</i>	<i>Balance</i>
	<i>1 April 2023</i>	<i>permanent</i>	<i>31 March</i>
	<i>£</i>	<i>endowment</i>	<i>2024</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Restricted shares in West Indies Investments Ltd	1	37,471,142	37,471,143
	<u>1</u>	<u>37,471,142</u>	<u>37,471,143</u>

## Notes to the financial statements

for the year ended 31 March 2024

### 17. Analysis of group net assets between funds

	<i>Unrestricted funds £</i>	<i>Permanent endowment £</i>	<i>Total funds £</i>
Fund balances at 31 March 2024 are represented by:			
Fixed assets	18,871,196	37,471,143	56,342,339
Net current assets/(liabilities)	(17,353,581)	-	(17,353,581)
Creditors over 1 year & deferred tax	(25,468)	-	(25,468)
Total net assets	1,491,147	37,471,143	38,963,290

	<i>Unrestricted funds £</i>	<i>Permanent endowment £</i>	<i>Total funds £</i>
Fund balances at 31 March 2023 are represented by:			
Investments	3,656,000	-	3,656,000
Net current assets/(liabilities)	129,429	-	129,429
Restricted Funds		1	1
Total net assets	3,785,429	1	3,785,430

### 18. Capital commitments

Group

	<i>2024 £</i>	<i>2023 £</i>
Contracted but not provided for in the financial statements	-	-

### 19. Financial commitments

#### Operating leases – lessee

At 31 March 2024 the group had total financial commitments under non-cancellable operating leases as set out below:

	<i>Other 2024 £</i>	<i>2023 £</i>
Payable one year	24,401	-
Payable in two to five years	61,499	-
Payable in more than five years	-	-

The amount of non-cancellable operating lease payments recognised as an expense during the year was £20,402.

## Notes to the financial statements

for the year ended 31 March 2024

### 19. Financial commitments (continued)

#### Operating leases – lessor

	<i>Other</i>	
	2024	2023
	£	£
Payable one year	48,063	-
Payable in two to five years	104,759	-
Payable in more than five years	1,875	-
	<u>          </u>	<u>          </u>

### 20. Notes to the cash flow statement

#### (a) Reconciliation of net movement in funds to net cash flow from operating activities:

	2024	2023
	£	£
Net (expenditure) / income for the period before transfers	35,177,860	(320,050)
Non cash donation received less cash	(34,521,264)	-
Impairment of investment	-	336,000
Increase / decrease in stocks	27,548	-
Decrease / (increase) in debtors	320,219	(154,016)
(Increase) in creditors	(375,731)	154,116
Depreciation	1,110,888	-
Profit on disposal of assets	(23,132)	-
Interest receivable	(79,936)	-
Interest payable	793,825	-
	<u>          </u>	<u>          </u>
Net cash inflow/(outflow) from operating activities	2,430,277	16,050
	<u>          </u>	<u>          </u>

## Notes to the financial statements

for the year ended 31 March 2024

### 20. Notes to the cash flow statement (continued)

#### (b) Analysis of cash and cash equivalents

Group

	2024 £	2023 £
Cash at bank and in hand	904,482	131,179

#### (c) Analysis of changes in net funds / (debt)

	At 31 March 2023 £	On acquisition £	Cashflow £	31 March 2024 £
Finance lease obligations	-	(56,301)	20,402	(35,899)
Loans	-	(15,000,000)	-	(15,000,000)
	-	(15,056,301)	-	(15,056,301)
Cash and overdraft	131,179	2,949,880	(2,176,577)	904,482
<b>Total</b>	<b>131,179</b>	<b>(12,106,421)</b>	<b>(2,156,175)</b>	<b>(14,131,417)</b>

### 21. Movement in funds

The movement in funds, during the year, for the group and Charity were as follows:

	Consolidated 2024 £	Charity 2024 £	Consolidated 2023 £	Charity 2023 £
Net movement in funds	35,177,860	34,347,479	(320,050)	(320,050)
Fund balances brought forward	3,785,430	3,785,430	4,105,480	4,105,480
<b>Fund balances carried forward</b>	<b>38,963,290</b>	<b>38,132,909</b>	<b>3,785,430</b>	<b>3,785,430</b>



## Notes to the financial statements

for the year ended 31 March 2024

### 22. Related parties

#### *Foundation only*

Mr A H W Dixon is a non-executive director of Elite Hotels (Rotherwick) Limited.

Elite Hotels (Rotherwick) Limited donated administration and management services. The value of these services has been estimated at £30,000 (2023 - £30,000) and has been included within donations and administration.

The Grand Hotel (Eastbourne) Limited, a subsidiary company of Elite Hotels (Rotherwick) Limited, made donations of £nil (2023 - £100,000) to the Foundation during the year. There were no balances outstanding at the year end.

During the prior year Elite Hotels (Rotherwick) Limited advanced a loan to the Foundation in order to provide short term funding while the Foundation was awaiting the repayment of VAT from HMRC, the loan was therefore interest free and repayable on demand. At the balance sheet date the Foundation owed Elite Hotels (Rotherwick) Limited £nil (2023 - £154,016) with the loan being settled in full in August 2023 following the VAT refund being received.

### 23. Inclusion of subsidiary undertaking in consolidated accounts.

On 17 August 2023 the restrictions that were previously in place on shares held by the Foundation in West Indies Investments Limited were amended (see note 6). West Indies Investments Limited has a controlling interest in Elite Hotels Rotherwick Limited, and by virtue of these restrictions being amended the Foundation has been required to prepare consolidated financial statements reflecting the group under its control in accordance with FRS102.

Obtaining control of West Indies Investments Limited at a foundation level, and the Elite Hotels Group at a group level has been accounted for as a business combination which is in substance a gift, as no consideration was transferred.

The total value of the gift at the point of acquisition, being the fair value of the net assets acquired at the point control was gained was £41,127,143. This was reduced by £3,656,000 which was the fair value of the interest in Elite Hotels (Rotherwick) Limited already held by the charity at that time, leading to £37,471,344 being recognised in the income statement (see note 2).

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition.

## Notes to the financial statements

for the year ended 31 March 2024

### 23. Inclusion of subsidiary undertaking in consolidated accounts (continued).

	<i>Unrestricted funds £</i>	<i>Total funds £</i>
Freehold land and buildings	50,758,802	50,758,802
Furniture fittings and equipment	4,472,735	4,472,735
Motor vehicles	20,226	20,226
Plant and machinery	1,255,648	1,255,648
Debtors	639,466	639,466
Stock	276,942	276,942
Cash at bank and in hand	2,949,880	2,949,880
Creditors	(19,246,556)	(19,246,556)
<b>Total</b>	<b>41,127,143</b>	<b>41,127,143</b>

### 24. The Incorporated Trustees of The Rotherwick Foundation Statement of Financial Activities for the year ended 31 March 2024.

	<i>Unrestricted funds 2024 £</i>	<i>Permanent endowment 2024 £</i>	<i>Total 2024 £</i>	<i>Total 2023 £</i>
<b>Income from:</b>				
Donations and legacies	30,000	-	30,000	130,000
Donations	3,656,000	37,471,143	41,127,143	-
<b>Total</b>	<b>3,686,000</b>	<b>37,471,143</b>	<b>41,157,143</b>	<b>130,000</b>
<b>Expenditure on:</b>				
Charitable activities				
Governance costs	15,335	-	15,335	33,339
Grants made	44,000	-	44,000	50,500
Management and administration costs	30,000	-	30,000	30,000
Bank charges	186	-	186	211
<b>Total</b>	<b>89,521</b>	<b>-</b>	<b>89,521</b>	<b>114,050</b>
Impairment of investment	(6,720,143)	-	(6,720,143)	(336,000)
<b>Net income/(expenditure) and movement in funds</b>	<b>(3,126,664)</b>	<b>37,471,143</b>	<b>34,347,479</b>	<b>(320,050)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	3,785,430	-	3,785,430	4,105,480
Total funds carried forward	661,766	37,471,143	38,132,909	3,785,430