MDL Marinas Group Limited

Annual Report and Financial Statements

for the year ended 31 March 2021

Registered Number: 01949111

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MDL Marinas Group Limited

Registered Number: 01949111

Directors and advisors

Directors
The Hon E R Iliffe (Chairman)
R A Broadribb
C E Fleming
M J Glanville
D G Williams

Secretary
C E Fleming

Independent Auditor
BDO LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
Hampshire
SO14 3TL

Registered Office
The Yacht Club
1 Channel Way
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Strategic Report

for the year ended 31 March 2021

The directors present their strategic report on the Group for the year ended 31 March 2021.

Principal Activities

MDL Marinas Group Limited is the holding company of the MDL Group. The Group owns and operates 19 marinas in the UK, offering management and consultancy services and has interests in marina operations in Spain. In addition to marina operations, the Group also manages a portfolio of properties across the marina sites.

Business Review, Results and Dividends

In early 2020, the COVID-19 pandemic impacted the Group with UK lockdown restrictions coming into effect on 23rd March 2020. From this date, in line with Government guidance, restrictions on access to MDL's products and services were placed on berth holders and tenants. Marine leisure restrictions were lifted by the Government on 13th May 2020 and other lockdown measures later on 4th July 2020. Following these dates, the business started to see a phased return to normal trading in some areas over the summer. Some Government restrictions remained in place through the year end.

The Group responded quickly to the financial impact of Government restrictions and their impact on both trading activity, sales, and tenant activities. Significant cost control measures were implemented, together with utilisation of the government VAT deferral scheme, so to maintain cash flow and ensure the continuation of time sensitive capital maintenance projects that benefit MDL's core customers and the longevity and quality of the wider estate.

The timing of the outbreak and the UK lockdown meant that the Group's full year marina operations turnover was affected significantly. This was largely mitigated by a combination of managed cost reductions across the business and utilisation of both Government and local authority support where available.

The Group recognised the loyalty of the customer base with the creation of a scheme that returned cash back to those customers that had contracted for the 2020/21 boating season and remained with the Group throughout the initial lockdown and beyond into the 2021/22 season.

The Directors continue to monitor the economic environment and whilst we anticipate reduced profitability in the 2021/22 financial year as a result of the pandemic, we expect the Group to be able to continue to trade successfully and to be well positioned as markets recover. The Directors are extremely grateful to its staff, tenants and customers for their support throughout.

Underlying trading performance for the year was in line with management expectations. Turnover of £38,195k was up by £439k over the prior year value of £37,756k, with operating profit before non trading items being £6,829k, a £730k reduction against the prior year of £7,559k.

Other operating items include a net reduction in the fair value of tangible fixed assets of £3,621k *(2020: £492k)* with details disclosed in note 7 to the financial statements, together with Coronavirus Job Retention Scheme grants totalling £300k (2020: Nil).

Strategic Report (continued)

for the year ended 31 March 2021

Business Review, Results and Dividends (continued)
The Group continues to have a strong balance sheet, underpinned by high quality marine and property assets. Fixed assets at 31 March 2021 were valued at £183,786k *(2020: £175,437k)*.

No interim dividends were paid in the current year *(2020: £1,000k)* and the directors do not recommend the payment of a final dividend *(2020: Nil)*.

Principal Risks and Uncertainties
The management of the Group's business and the execution of the Group's strategy are subject to a number of risks and uncertainties.

The Group believes the key business risk relates to the yet unknown medium to long-economic impact of the COVID-19 pandemic and competition from other organisations, primarily in the UK, which is mitigated by close monitoring of customer service and product offerings from marina competitors. The Group has processes in place to continuously improve its product range and customer experience and launched several new products during 2020, along with a commitment to ongoing investment in marina and property infrastructure whilst maintaining the highest level of customer care.

The Group is exposed to credit risk to the extent that a counterparty will be unable to pay amounts when due in full. The Group does not consider this to be a material risk due to having a broad and diverse customer base as well as the fact that the majority of customers pay up front and on a monthly basis. Surplus cash is invested in short term financial instruments with reputable banks.

The Group is also exposed to liquidity risk in a scenario that cash may not be available to pay obligations when due. The annual budget and five year forecast process identifies cash requirements for the Group across a five year period. This is regularly reviewed by the Board to monitor ongoing progress. Detailed cash flow forecasting is done on an ongoing basis covering a period of at least twelve months to ensure obligations can be met when due. The Group also manages liquidity risk through the use of revolving cash facilities and long term debt.

The Group also actively manages its financial risk and believes its key financial risk relates to interest rate movements. The Group reduces its exposure by converting a proportion of its debt from floating to pre-determined rates through the use of interest rate swaps and cap financial instruments with details disclosed in note 27 to the financial statements.

Impact of COVID-19 (coronavirus) on going concern
The impact of the COVID-19 pandemic (coronavirus) on the ability of the Group to continue as a going concern has been assessed by the Directors, and they are confident that the Group can continue to operate for at least twelve months from the date of approval of these financial statements.

The Group has produced detailed profit and cash flow forecasts to assess the impact of the COVID-19 pandemic on the financial performance of the Group. These forecasts show that there is no risk to the going concern of the Group for the foreseeable future. These forecasts, therefore, support the conclusion of the Directors above.

Strategic Report (continued)

for the year ended 31 March 2021

Future Developments

Overall, the future outlook for the Group is considered to be positive. The Group has opportunities to continue to develop and expand the business further in the future which are being actively pursued. The balance sheet remains strong, supported by high quality marine and property assets. In the short-term, the impact of the COVID-19 pandemic continues to be felt through a reduction in variable income sources and restrictions of tenant activities. Whilst this is partly being mitigated by local authority support schemes, the Directors proactively plan and forecast so to manage the business through this period. Whilst the Directors are happy that adequate plans are in place, the Group is ready to react to future changes.

Key Performance Indicators

Management use a range of performance measures to manage and monitor the performance of the Group; items of particular importance are listed below as key performance indicators:

	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Financial		
Turnover	38,195	37,756
Profit before taxation	2,095	4,375
Profit for the financial year	1,047	2,204
Valuation of fixed assets	183,786	175,437
People		
Average employee numbers	251	282

These key performance indicators are measured against prior year, budget and ongoing forecasts. Management view the results for the year to be in line with expectations.

s172 statement

The Directors of the Group are required to act in accordance with a set of duties as detailed in section 172 of the Companies Act 2006 ("the Act"). The Act provides that a Director must act in the way that he or she considers, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, having regard to the matters set out in s172 of the Act. Details of how the Directors had regard to s172 are set out below.

At appointment, Directors are briefed on Directors' duties, supported by reviews of various governance matters at Board meetings throughout the year and especially when making key tactical or strategic decisions. Directors assess their training and development needs annually through the annual Performance and Development review and sessions or external training on relevant topics are arranged accordingly.

Strategic Report (continued)

for the year ended 31 March 2021

s172 statement (continued)

The Group is a subsidiary of Yattendon Group Plc, registered in England and Wales (see note 34 to the accounts). There is open and regular engagement with the shareholder principally through representation on the Board by a common director and company secretary. An annual presentation is made to the Yattendon Group Plc Board on by the MDL Marinas Managing Director on MDL Marinas Group Ltd strategy; the latest took place in October 2020.

A significant amount of time is allocated to the consideration and approval of the Group's strategy and any related product development or capital expenditure at formal Board meetings. In addition, regular Director and Executive meetings are held to share this strategy with senior management. These meetings allow 360-degree communication and the Directors use this feedback to refine strategy where required. The Board are provided by the Executive team with detailed market and regulatory context to enable an assessment to be made of the risks, challenges and opportunities facing the business in respect of implementation of the Group's strategy. In addition, regular updates are provided by the Executive team on product and business development activities.

The key strategic decisions of the Board in the year are reflected in its approval of both the strategic plan and the budget and five-year financial plan. These plans, whilst separate physical documents, cover the strategic direction of travel of the business, together with the expected financial impact of delivering this strategy. The Group's principal strategic objective is to deliver sustainable growth in existing business, whilst expanding and diversifying the product offering across the portfolio. The Board consider changing customer behaviour and needs, the competitive landscape, physical resource availability and opportunities to develop new relationships.

The Board receives regular reports on a wide range of employee matters, including employee relations. The business planned to hold an all-employee conference in December 2020 to share the vision of where the Group is placed, it's achievements, challenges, opportunities, threats and where the strategic direction is intended to take it in the future. This would have allowed executive and non-executive Directors the opportunity to interact with staff from all areas of the business. An all-employee survey was planned to follow this event allowing the Board to assess its success and address common employee questions. The local and national restrictions in place due to the COVID-19 pandemic meant that this event was postponed to an as yet unspecified date in 2021/22. Other prominent areas where the Group proactively takes an interest in the employees' wellbeing are:

- Has staff members who play the role of representatives of employee safety at each marina;
- Have regular formal communications and staff meetings;
- The Group has a peer-to-peer employee recognition scheme;
- The Group provides an Employee Assistance Programme; and
- Healthcare and Bike2Work schemes.

Strategic Report (continued)

for the year ended 31 March 2021

s172 statement (continued)

The Group recognises that the relationships with customers, suppliers and other local stakeholders are a key ingredient to the success of the Group, and as such has undertaken to:

- Provide regular formal communications with customers through email and social media. This has never been more important than since March 2020 and the restrictions placed on movement in the UK. The Group has ensured this messaging has been clear, consistent and in conjunction with Government guidelines.
- Engage proactively with suppliers to ensure that invoices are processed and paid in a timescale that is in contractual agreement with the supplier endeavouring to obtain best price and value from key suppliers while understanding the importance of high-quality service and its effect on MDL's service delivery.
- Consider the needs of the local community and stakeholder groups when making decisions that might influence them.
- The Group is an active supporter of the Ocean Youth Trust charity and promotes them as a beneficiary of charitable events that are undertaken across the marina portfolio.

The Group is aware of its responsibilities in respect of contributing to the global need of improving the impact that business have on the environment and takes considerable steps in this respect. In particular:

- The Group has installed solar panels at 3 marinas and has produced 141,265 kWh of electricity in the year. Over and above this, an additional installation has taken place in June 2021 at a further marina.
- The Group promotes the use of electric powered motor vehicles and considers these when replacing fleet stock. The estate currently has over 22 charging points for all varieties of vehicle, with an additional 12 planned for installation in 2021/22.
- The Group hosted the first UK Green Marine Technology Show at one of its marinas in June 2021.
- The Group is updating its green strategy exploring further opportunities to reduce waste, generate energy from renewable sources and improve water quality.

The business prides itself on delivering the best standards to all stakeholders, evidenced by the above. It does not stand still either. In 2021/22 the Group is already planning more employee engagement, to be 'greener' in respect of the environment and improve frequency and quality of customer communications whilst still promoting and developing the success of the Group and maximising value to the ultimate shareholder.

On behalf of the Board

M J Glanville
Director
23 July 2021

Directors' Report

for the year ended 31 March 2021

The directors present their report and the audited financial statements of the Group and Company for the year ended 31 March 2021.

Incorporation by Reference

Certain laws & regulations require that specific information should be included in the Directors' report. The following is incorporated into the Directors' report by reference:

- Principal activities (page 3);
- Business review, results and dividends (pages 3 and 4);
- Principal risks and uncertainties (page 4); and
- Future developments (page 5).

Directors' Indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Environment and Health & Safety

The Group recognises the importance of its environmental responsibilities across its principal activity and there are various initiatives in place designed to minimise the Group's impact on the environment. Refer to Streamlined Energy and Carbon Reporting below for detailed information.

The Group takes its Health and Safety obligations very seriously and as a result a Health and Safety committee operates within the group. This committee meets fortnightly and includes two executive directors.

Directors

The directors of the Company who were in office during the year and up to the date of signing these financial statements (unless otherwise stated) are shown on page 2.

Employee Consultation and Involvement

The Group has always recognised the importance of good communication in relationships with its staff. This is pursued in a number of ways, including regular meetings between management, staff and their representatives. Additional information is shown in the s172 statement in the Strategic Report.

Disabled Persons

The Group gives full and fair consideration to applications for employment from disabled persons and has an established policy to encourage their employment whenever it is practicable bearing in mind the requirements of the job and having regard to their particular aptitudes and abilities.

Where an employee becomes disabled during the course of his or her employment, every reasonable effort is made to find suitable alternative employment within the Group and re-training is given if this is necessary.

The Group continues to train and encourage the career development and promotion of disabled persons in their employment.

Directors' Report (continued)

for the year ended 31 March 2021

Branches Outside the UK

Details of the Group's overseas branches can be found in note 37 by reference to the country of incorporation.

Steamlined Energy and Carbon Reporting

Following changes by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('SI 2018/1155'), we are now obliged to report eligible group companies UK energy use. The only eligble group company in the year was Marina Developments Limited. The following data covers the period from 1 April 2020 to 31 March 2021.

	Years ended		Years ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Emission Type	Total Volume kWh		Calculated Emissions tCO_2e	
Scope 1 Emissions (direct)	1,558,442	3,733,355	288	690
Scope 2 Emissions (indirect)	5,599,529	9,910,130	1,305	2,533
Scope 3 Emissions (indirect)	68,904	126,468	17	31
Total	7,226,875	13,769,953	1,610	3,254
	£m Turnover		tCO_2e/£m Turnover	
Carbon Intensity Ratio	33,575	35,233	0.05	0.09

Quantification and Reporting Methodology

The Group has taken guidance from the UK Government Environmental Reporting Guidelines (March 2019), the GHG Reporting Protocol - Corporate Standard, and from the UK Government GHG Conversion Factors for Company Reporting document for calculating carbon emissions. Energy usage information (gas and electricity) has been obtained directly from their energy suppliers and HH/AMR data, where available, for those supplies with HH/AMR meters. For supplies where there wasn't complete 12-month energy usage available, flat profile estimation techniques were used to complete the annual consumption. Transport mileage and/or fuel usage data was provided for their company and employee-owned vehicles. CO2e emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information and retained within the Group's Data File for reference where required.

Energy Efficiency Action

In the past 12 months the Group as invested £157k in respect of the installation of photovoltaic (PV) panels at two marinas, with a further £71k committed in June 2021 to an addtional installation at a further marina. In respect of installed PV panels, the Group has produced 141,265 kWh in 2020/21 across 3 marinas. In addition, we currently have 22 car charging points installed across the marina portfolio, with a further 12 approved for installation in 2021/22.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Directors' Report (continued)

for the year ended 31 March 2021

Statement of Directors' Responsibilities (continued)

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom *Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising* FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' Confirmations

In the case of each director in office at the date the Directors' report is approved:

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

Independent Auditor

BDO LLP was appointed auditor during the year. They will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

On behalf of the Board

M J Glanville
Director
23 July 2021

Independent Auditor's Report to the Members of MDL Marinas Group Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2021 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of MDL Marinas Group Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the Group profit and loss account, the Group statement of comprehensive income, the Group and Company balance sheets, the Group and Company statement of changes in equity, Group statement of cash flows and 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).*

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the Members of MDL Marinas Group Limited (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our *knowledge obtained in the course of the audit, or otherwise appears to be materially misstated*. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- *the information given in the Strategic report and the Directors' report for the financial year for* which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. whether due to fraud or error.

Independent Auditor's Report to the Members of MDL Marinas Group Limited (continued)

Responsibilities of Directors (continued)

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

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Based on our understanding of the Group and the industries in which it operates, we considered those laws and regulations that have a direct impact on the financial statements, such as the Companies Act 2006 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The group engagement team shared this risk assessment with the auditors of significant components so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, corroborating responses with information gained from other aspects of the audit;
- Challenging assumptions made by management in their significant accounting estimates, in particular in relation to the valuation of land and buildings and investment properties; and
- Identifying and testing journal entries, in particular any journal entries posted directly to revenue, journals posted by directors and manual journals posted between balance sheet and income statement.

Independent Auditor's Report to the Members of MDL Marinas Group Limited (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
David I'Anson
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David I'Anson *(Senior Statutory Auditor)*
For and on behalf of BDO LLP, statutory auditor
Southampton
United Kingdom

27 July 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MDL Marinas Group Limited

Registered Number: 01949111

Group profit and loss account

for the year ended 31 March 2021

	Note	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Turnover	5	38,195	37,756
Cost of sales		(4,957)	(3,524)
Gross profit		33,238	34,232
Administrative expenses	6	(29,730)	(27,165)
Operating profit		3,508	7,067
Analysed as:			
Operating profit before non-trading items		6,829	7,559
Other operating items	7	(3,321)	(492)
Operating profit	8	3,508	7,067
Interest receivable and similar income	10	580	45
Interest payable and similar expenses	11	(1,993)	(2,737)
Profit before taxation		2,095	4,375
Tax on profit	13	(1,144)	(2,301)
Profit for the financial year		951	2,074
Minority interests		96	130
Profit attributable to members of the parent company		1,047	2,204

Group statement of comprehensive income

for the year ended 31 March 2021

	Note	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Profit for the financial year		1,047	2,204
Other comprehensive income/(expense):			
Unrealised surplus/(deficit) on revaluation of tangible fixed assets		13,306	(20,012)
Currency translation differences		70	62
Deferred tax (charge)/credit on fixed asset revaluation	26	(2,213)	842
Deferred tax (charge)/credit on business combinations/fair value adjustments	26	(315)	2,328
Other comprehensive income/(expense) for the year, net of tax		10,848	(16,780)
Total comprehensive income/(expense) for the year		11,895	(14,576)
Total comprehensive income/(expense) attributable to			
- members of the parent company		11,895	(14,576)
- minority interests		(96)	(130)
		11,799	(14,706)

Group balance sheet

As at 31 March 2021

	Note	*31 March 2021* *£000*	*31 March 2020* *£000*
Fixed assets			
Intangible assets	16	22	32
Tangible assets	17	183,764	175,405
Investments	18	-	-
		183,786	175,437
Current assets			
Stocks	19	4,386	5,007
Debtors	20	5,873	5,315
Cash at bank and in hand	21	11,607	10,825
		21,866	21,147
Creditors: amounts falling due within one year	22	(29,655)	(32,215)
Net current liabilities		(7,789)	(11,068)
Total assets less current liabilities		175,997	164,369
Creditors: amounts falling due after more than one year	23	(43,850)	(47,813)
Provisions for liabilities	26	(16,142)	(12,044)
Net assets		116,005	104,512
Capital and reserves			
Called up share capital	28	8,672	8,672
Revaluation reserve	29	27,935	20,321
Other reserves	29	15,185	15,185
Profit and loss account		61,821	57,540
Total shareholders' funds		113,613	101,718
Minority interests		2,392	2,794
Capital employed		116,005	104,512

The notes on pages 21 to 52 are an integral part of the financial statements.

The financial statements on pages 15 to 52 were authorised for issue by the Board of directors and were signed on their behalf by:

M J Glanville
Director
23 July 2021

MDL Marinas Group Limited

Registered Number: 01949111

Company balance sheet

As at 31 March 2021

	Note	*31 March 2021* *£000*	*31 March 2020* *£000*
Fixed assets			
Investments	18	138,788	138,788
		138,788	138,788
Current assets			
Debtors	20	72,727	76,544
Cash at bank and in hand		83	155
		72,810	76,699
Creditors: amounts falling due within one year	22	(140,806)	(138,772)
Net current liabilities		(67,996)	(62,073)
Total assets less current liabilities		70,792	76,715
Creditors: amounts falling due after more than one year	23	(43,664)	(47,576)
Net assets		27,128	29,139
Capital and reserves			
Called up share capital	28	8,672	8,672
Other reserves		13,614	13,614
Profit and loss account		4,842	6,853
Total shareholders' funds		27,128	29,139

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company profit and loss account. The loss for the Company for the financial year was £2,011k *(2020: £3,391k)*.

The notes on pages 21 to 52 are an integral part of the financial statements.

The financial statements on pages 15 to 52 were authorised for issue by the Board of directors and were signed on their behalf by:

M J Glanville
Director
23 July 2021

MDL Marinas Group Limited

Registered Number: 01949111

Group statement of changes in equity

for the year ended 31 March 2021

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total shareholders' funds	Minority interests	Capital employed
	£000	£000	£000	£000	£000	£000	£000
Balance as at 1 April 2019	8,672	35,579	15,185	57,858	117,294	2,834	120,128
Profit for the financial year	-	-	-	2,204	2,204	(130)	2,074
Other comprehensive expense for the year	-	(16,842)	-	62	(16,780)	-	(16,780)
Total comprehensive *expense for the year*	-	(16,842)	-	2,266	(14,576)	(130)	(14,706)
Dividends	-	-	-	(1,000)	(1,000)	0	(1,000)
Total transactions with owners, recognised directly in equity	-	-	-	(1,000)	(1,000)	0	(1,000)
Transfer of investment property revaluation (notes 7 and 17)	-	1,955	-	(1,955)	-	-	-
Transfer deferred tax on impairment reversal of revalued land and buildings	-	(371)	-	371	-	-	-
Currency translation differences	-	-	-	-	-	90	90
Balance as at 31 March 2020	8,672	20,321	15,185	57,540	101,718	2,794	104,512
Balance as at 1 April 2020	8,672	20,321	15,185	57,540	101,718	2,794	104,512
Profit for the financial year	-	-	-	1,047	1,047	(96)	951
Other comprehensive income for the year	-	10,778	-	70	10,848	-	10,848
Total comprehensive income for the year	-	10,778	-	1,117	11,895	(96)	11,799
Dividends	-	-	-	-	-	-	-
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	-
Transfer of investment property revaluation (notes 7 and 17)	-	(3,906)	-	3,906	-	-	-
Transfer deferred tax on impairment reversal of revalued land and buildings	-	742	-	(742)	-	-	-
Currency translation differences	-	-	-	-	-	(306)	(306)
Balance as at 31 March 2021	8,672	27,935	15,185	61,821	113,613	2,392	116,005

Company statement of changes in equity

for the year ended 31 March 2021

	Called up share capital	Other reserves	Profit and loss account	Total shareholders' funds
	£000	*£000*	*£000*	*£000*
Balance as at 1 April 2019	8,672	13,614	11,244	33,530
Loss for the financial year	-	-	(3,391)	(3,391)
Total comprehensive expense for the year	-	-	(3,391)	(3,391)
Dividends	-	-	(1,000)	(1,000)
Total transactions with owners, recognised directly in equity	-	-	(1,000)	(1,000)
Balance as at 31 March 2020	8,672	13,614	6,853	29,139
Balance as at 1 April 2020	8,672	13,614	6,853	29,139
Loss for the financial year	-	-	(2,011)	(2,011)
Total comprehensive expense for the year	-	-	(2,011)	(2,011)
Dividends	-	-	-	-
Total transactions with owners, recognised directly in equity	-	-	-	-
Balance as at 31 March 2021	8,672	13,614	4,842	27,128

MDL Marinas Group Limited

Registered Number: 01949111

Group statement of cash flows

for the year ended 31 March 2021

	Note	Year ended 31 March 2021 £000	Year ended 31 March 2020 £000
Net cash from operating activities	30	13,673	8,759
Taxation paid		(1,565)	(1,783)
Net cash generated from operating activities		12,108	6,976
Cash flow from investing activity			
Purchase of intangible fixed assets	16	-	-
Purchase of tangible fixed assets	17	(3,721)	(5,190)
Proceeds from disposals of tangible fixed assets		77	143
Interest received		2	49
Net cash used in investing activities		(3,642)	(4,998)
Cash flow from financing activities			
Receipt of long term loans	24	-	2,000
Repayment of long term loans	24	(3,334)	(3,333)
Receipt of loan from ultimate parent company	22	1,289	3,903
Repayment of loan from ultimate parent company	22	(3,626)	-
Dividends paid to ultimate parent company	15	-	(1,000)
Interest paid		(1,993)	(2,208)
Net cash used in financing activities		(7,664)	(638)
Increase/(decrease) in cash and cash equivalents		802	1,340
Cash and cash equivalents at the beginning of the year		10,825	9,531
Exchange losses on cash and cash equivalents		(20)	(46)
Cash and cash equivalents at the end of the year		11,607	10,825
Cash and cash equivalents consists of:			
Cash at bank in hand		11,607	10,825
Cash and cash equivalents		11,607	10,825

Notes to the Financial Statements

1 General Information

MDL Marinas Group Limited ("the Company") and its subsidiary undertakings (together "the Group") carry out marina operations and associated property management.

The Company is a private company limited by shares and is incorporated in the UK and registered in England. The address of the registered office is The Yacht Club, 1 Channel Way, Ocean Village, Southampton, Hampshire, SO14 3QF.

2 Statement of Compliance

The Group and individual financial statements of MDL Marinas Group Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The directors believe that the going concern basis is appropriate following detailed planning and forecasting exercises, where various scenarios have been modelled to forecast the impact of the COVID-19 pandemic on the profit and loss acount, cash flow and covenant compliance. The directors have concluded that adequate resources are available to remain a going concern.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

(b) Exemptions for Qualifying Entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

(i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;

(ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48C and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures; and

(iii) from disclosing the Company's key management personnel compensation, as required by FRS 102 paragraph 33.7.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(c) Basis of Consolidation

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the results of associates made up to 31 March 2021.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity, but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit and loss arising on transactions with associates to the extent of the Group's interest in the entity.

(d) Foreign Currency

(i) Functional and presentation currency

The Group financial statements are presented in pound sterling and rounded to thousands.

The Company's functional and presentation currency is the pound sterling and rounded to thousands.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using spot exchange rates at the date of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(d) Foreign Currency (continued)

(iii) Translations

The trading results of Group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in other comprehensive income and allocated to non-controlling interests as appropriate.

(e) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, properties held for resale and rents received net of returns, discounts and rebates allowed by the Group and value added taxes. The sale of investment properties is not treated as revenue but rather the profits or losses on sale are shown separately as profit or loss on sale of investment properties.

The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer (b) the group retains no continuing involvement or control over the goods (c) the amount of revenue can be measured reliably (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to some of the Group's sales channels have been met as described below.

(i) Rent earned and similar income

Revenue is earned on accruals basis over the lease term.

(ii) Berthing income

Net income, for berth rentals granted for periods up to three years, is recognised in the profit and loss account over the term of the contract on a straight line basis. Where berth rentals are granted for periods of greater than ten years these take the form of a long lease and are treated as a disposal of an asset.

(iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(f) Employee Benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as expenses in the period in which the service is received.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(f) Employee Benefits (continued)

(ii) Defined contribution pension plans

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

(iii) Annual bonus plan

The Group operates an annual bonus plan for certain employees. An expense is recognised in the profit and loss account when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

(g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profit and total comprehensive income as stated in the financial Statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax is recognised on debits and credits to the revaluation reserve.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(h) Business Combinations

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages, the cost is the consideration at each stage of the transaction.

Contingent consideration is initially recognised at estimated amounts where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of fair value and directly attributable costs of the purchase consideration over the fair values of the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ("CGU's") that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 5 years. Goodwill is assessed for impairment when there are indicators of impairments and any impairment is charged to the income statements. Reversals of impairment are recognised when the reasons for impairment no longer apply.

(i) Intangible Assets

Intangible assets are stated at cost (or deemed cost) less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Goodwill	over 5 years

Amortisation is included in costs and overheads in the profit and loss account.

Where factors, such as technological advancement or changes in market price, indicate that residual values or useful life have changed, the residual value, useful life or amortisation rate are changed prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(j) Tangible Assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

(i) Land and buildings

Land and buildings include freehold and leasehold retail outlets and offices. Land and buildings which are owned and occupied are stated at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses.

Land and buildings are revalued annually and are recognised at the revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Any gain on revaluation is recognised in other comprehensive income and accumulated in equity. The increase is recognised in the profit and loss account to the extent that it is a reversal of a revaluation decrease of the same asset previously recognised in the profit and loss account.

Any loss on revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If the revaluations loss exceeds the accumulated revaluation gains in equity the excess shall be recognised in the profit and loss account.

(ii) Plant, equipment & motor vehicles, marina dredging and floats, moorings & pontoons

Plant, equipment & motor vehicles, marina dredging and floats, moorings & pontoons are stated at cost less accumulated depreciation and accumulated impairment losses.

(iii) Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off each asset over the term of its useful life as follows:

Freehold and long leasehold buildings	over 15 - 50 years
Short leasehold buildings	over the terms of the leases
Marina dredging	over the life of the dredge
Floats, moorings & pontoons	over 20 years
Plant, equipment & motor vehicles	over 3 - 20 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(k) Investment Properties

Certain of the Group's properties are held for long-term investment. Investment properties are accounted for in accordance with section 16 of FRS 102, as follows:

(i) investment properties are revalued annually to fair value and the surplus or temporary deficit is charged or credited to the profit and loss account; and

(ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that this policy of not providing depreciation or amortisation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes in that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation or amortisation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be separately identified or quantified.

(l) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Lease Costs

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Finance leased assets

Leases of assets that transfer substantially all of the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the Company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(m) Lease Costs (continued)

(i) Finance leased assets (continued)

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

(ii) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

(iii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 April 2014) and continues to credit such lease incentives to the profit and loss account over the period to the first review date on which the rent is adjusted to market rates.

(n) Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the relevant assets by equal instalment.

Government grants in respect of revenue are recognised under the accrual model and, as there are no future performance related conditions, are recognised in income when the grant proceeds are received.

(o) Impairment of Non Financial Assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(o) Impairment of Non Financial Assets (continued)

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

(p) Investments in Subsidiary Companies

Investment in subsidiary companies are held at cost less accumulated impairment losses.

(q) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is defined as being purchase price on a first in, first out basis. Net realisable value is defined as estimated selling price less all further costs to completion and estimated selling expenses.

Long term developments held for sale are stated at cost plus attributable overheads incurred, less foreseeable losses.

At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

(r) Cash and Cash Equivalents

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

(s) Provisions and Contingencies

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(s) Provisions and Contingencies (continued)

(ii) Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements only when an inflow of economic benefits is probable.

(t) Financial Instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and investments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the Financial Statements (continued)

3 Summary of Significant Accounting Policies (continued)

(t) Financial Instruments (continued)

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Derivatives, including interest rate swaps, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss account, unless they are included in a hedging arrangement.

The Company does not currently apply hedge accounting for interest rate swaps.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(u) Share Capital

Ordinary shares are classified as equity.

(v) Distributions to Equity Holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the Statement of changes in equity.

(w) Related Party Transactions

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

Notes to the Financial Statements (continued)

4 Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key Accounting Estimates and Assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Investment property valuations

Investment properties are externally valued no less frequently than every 6 years. On an annual basis, however, they are valued internally on an open market value basis by suitably qualified individuals in consultation with property advisors and endorsed by the Group's board of directors. As such, these valuations are subject to assumptions and estimates. Key assumptions and estimates are discount rates, occupancy, tariff and exit multiples, together with cost inflation rates.

(b) Valuation of land and buildings

Land and buildings at least two marina sites are valued annually by External Valuers. All such valuers are members of the RICS. All valuations are carried out in accordance with the RICS Appraisal and Valuation Manual. The sites are valued on the basis of Open Market Value.

However, where land and buildings are revalued, the Directors believe that the existing use valuation method gives a greater understanding of the future earning potential of these properties and as such valuations are performed internally by appropriately qualified individuals. Based on this belief, it is these valuations that are used in the statutory accounts.

Notes to the Financial Statements (continued)

5 Turnover

There is no analysis of turnover by class of business as the directors consider that such disclosures could be seriously prejudicial to the Group's commercial position. An analysis of turnover by geographical origin is given below:

	Year ended 31 March 2021 *£000*	*Year ended 31 March 2020* *£000*
United Kingdom	36,641	36,217
Europe	1,554	1,539
	38,195	37,756

6 Administrative expenses

Administrative costs include £3,621k *(2020: £492k)* revaluation of tangible assets. Refer to note 7.

7 Other operating items

	Year ended 31 March 2021 *£000*	*Year ended 31 March 2020* *£000*
Revaluation of land and buildings (note 17)	(285)	2,447
Change in fair value of investment property (note 17)	3,906	(1,955)
Coronavirus Job Retention Scheme grants	(300)	-
	3,321	492

Net gain on revaluation of tangible assets (note 17) is £9,685k *(2020: £20,504k impairment)* of which £3,621k (2020: £492k) is charged to administrative costs and £13,306k credited *(2019: £20,012k charged)* to the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

8 Operating profit

This is shown after charging/(crediting):	*Year ended 31 March 2021 £000*	*Year ended 31 March 2020 £000*
Staff costs charged to profit and loss (note 9)	7,322	8,416
Amortisation of owned intangible fixed assets (note 16)	10	19
Depreciation of owned tangible fixed assets (note 17)	4,583	4,523
Profit on disposal of tangible assets	23	-
Amortisation of government grants	(51)	(51)
Operating lease charges:		
- plant and machinery	55	19
- land and buildings	1,989	1,763
	2,044	1,782
Auditors' remuneration:		
- company audit	6	7
- subsidiaries audit	63	71
- taxation compliance services	21	28
- other services	2	10
	92	116

During the year, the Group received £300k *(2020: £Nil) under the UK Governemnt's* Coronavirus Job Retention Scheme.

9 Staff

The average monthly number of persons (including executive directors) employed by the Group during the year was:

	Year ended 31 March 2021 Number	*Year ended 31 March 2020 Number*
By activity:		
Operational	169	194
Administrative	82	88
	251	282

The Company had no employees (excluding Directors) during 2021 or 2020.

Notes to the Financial Statements (continued)

9 Staff (continued)

The aggregate payroll costs for the group were as follows:

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Wages and salaries	6,452	7,436
Social security costs	689	773
Other pension costs	181	207
	7,322	8,416

10 Interest receivable and similar income

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Bank interest receivable	2	43
Other interest receivable	-	2
Derivative financial instrument - interest rate swaps (note 27)	578	-
	580	45

The Company had intercompany interest receivable of £1,316k *(2020: £1,832k)* for the year ended 31 March 2021 (refer to note 20).

11 Interest payable and similar expenses

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Bank loans and overdrafts	1,434	1,602
Loans from ultimate parent company	559	486
Other interest payable	-	3
Derivative financial instrument - interest rate swaps (note 27)	-	646
	1,993	2,737

The Company had intercompany interest payable of £2,447k *(2020: £3,208k)* for the year ended 31 March 2021 (refer to note 22).

Notes to the Financial Statements (continued)

12 Directors' emoluments

Emoluments of the directors of the Group were:	*Year ended 31 March 2021 £000*	*Year ended 31 March 2020 £000*
Aggregate remuneration	391	469
Contributions to defined contribution pension scheme	14	19
	405	488

Emoluments for the Chairman are borne by the immediate parent, Yattendon Group Plc, and no direct recharges were made in the year *(2020: None)*.

No directors are accruing retirement benefits in respect of qualifying services under the immediate parent's defined benefit scheme *(2020: none)*. Three directors received benefits under defined contribution arrangements during the year *(2019: three)*.

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Emoluments of the highest paid director (excluding pension contributions)	151	157
Defined contribution pension scheme contributions	7	6

Notes to the Financial Statements (continued)

13 Tax on profit

(a) Tax charge included in group profit and loss account

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Current tax		
UK corporation tax on profit for the year	1,544	1,205
Adjustment in respect of prior periods	1	(111)
Total current tax	1,545	1,094
Deferred tax		
Origination and reversal of timing differences	(517)	66
Adjustment in respect of prior periods	116	503
Impact of change in tax rate	-	638
Total deferred tax	(401)	1,207
Total tax charge included in group profit and loss account	1,144	2,301

The net deferred tax (credit)/charge of £401k *(2020: £1,207k charge)* includes an adjusting charge to prior years of £116k *(2020: £503k)*.

(b) Tax credit included in other comprehensive income

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Deferred tax		
Foreign exchange on retranslation of opening balances	246	115
Deferred tax current year charge/(credit)	2,528	(3,170)
Total tax charge/(credit) included in other comprehensive income	2,774	(3,055)

Notes to the Financial Statements (continued)

13 Tax on profit (continued)

(c) Reconciliation of current tax charge

The tax assessed for the year is higher *(2020: higher)* than the current rate of corporation tax in the UK of 19% *(2020: 19%)*.

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Profit before taxation	2,095	4,375
Profit multiplied by the standard rate of tax in the UK of 19% *(2019: 19%)*	398	831
Expenses not deductible	60	48
Income not taxable	(12)	(10)
Effects of group/other reliefs	(16)	(21)
Adjustments in respect of prior periods	117	392
Tax rate changes	-	660
Ineligible depreciation	270	401
Deferred tax not recognised	327	-
Total tax charge for the year	1,144	2,301

(d) Factors that may affect future tax charges

The current rate of corporation tax in the UK is 19% *(2020: 19%)*.

The Finance Bill 2021-22, published on 11 March 2021, retained the main rate of corporation tax at 19% for accounting periods from 1 April 2021.

Whilst the Finance Bill indicated that the main rate of corporation tax would be 25% for accounting periods from 1 April 2023, the Bill had not been enacted by the Balance Sheet date and is not reflected in the deferred tax calculations for this reason.

14 Loss attributable to members of the parent company

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Loss dealt with in the financial statements of the parent company	2,011	3,391

Notes to the Financial Statements (continued)

15 Dividends

	Year ended 31 March 2021 £000	*Year ended 31 March 2020 £000*
Ordinary shares: 0p per share *(2020: 6p per share)*	-	1,000
	-	1,000

16 Intangible assets

Group	*Goodwill £000*	*Total £000*
Cost:		
At 1 April 2020	51	51
Additions	-	-
At 31 March 2021	**51**	**51**
Accumulated Amortisation:		
At 1 April 2020	19	19
Provided in the year	10	10
At 31 March 2021	**29**	**29**
Net book value at 31 March 2021	**22**	**22**
Net book value at 31 March 2020	**32**	**32**

Notes to the Financial Statements (continued)

17 Tangible assets

Group	*Investment Properties*	*Land and Buildings*	*Marina Dredging*	*Floats, Moorings & Pontoons*	*Plant, Equipment, & Motor Vehicles*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*	*£000*
Cost or fair value:						
At 1 April 2020	46,026	120,338	7,377	29,638	19,059	222,438
Exchange adjustments	-	(696)	-	-	(22)	(718)
Additions	-	1,052	454	1,311	904	3,721
Revaluations	(3,906)	12,283	-	-	-	8,377
Disposals	-	(3)	-	-	(354)	(357)
At 31 March 2021	**42,120**	**132,974**	**7,831**	**30,949**	**19,587**	**233,461**
Accumulated Depreciation:						
At 1 April 2020	-	11,117	5,563	15,666	14,687	47,033
Exchange adjustments	-	(278)	-	-	(30)	(308)
Provided in the year	-	1,977	696	1,042	868	4,583
Revaluations	-	(1,308)	-	-	-	(1,308)
Disposals	-	-	-	-	(303)	(303)
At 31 March 2021	-	**11,508**	**6,259**	**16,708**	**15,222**	**49,697**
Net book value at 31 March 2021	**42,120**	**121,466**	**1,572**	**14,241**	**4,365**	**183,764**
Net book value at 31 March 2020	**46,026**	**109,221**	**1,814**	**13,972**	**4,372**	**175,405**

Floats, moorings and pontoons are held for letting out under annual operating leases.

The revaluation of tangible assets includes a loss of £3,621k *(2020: £492k)* which is charged to the profit and loss account (note 7) and a gain of £13,306k (2020: £20,012k loss) credited to the Statement of Comprehensive

Investment properties are externally valued no less frequently than every 6 years on rotational basis. They are valued on an open market value basis by suitably qualified individuals in consultation with their property advisors and endorsed by the Group's board of directors.

Investment properties are valued on an open market basis to arrive at fair value with an effective date of 31 March 2021. *This involves the use of estimates and assumptions on the future.*

Land and buildings at four marina sites (Bray, Brixham, Cobbs Quay and Sparkes) were valued, as at 31 March 2021, by qualified surveyors working for the company of Cushman & Wakefield, Independent Property Advisors, acting in the capacity of External Valuers. All such valuers are members of the RICS. All valuations were carried *out in accordance with the RICS Appraisal and Valuation Manual. The four sites were valued on the basis of Open* Market Value. The Directors believe that the existing use valuation method gives a greater understanding of the future earnings of these properties and as such the external valuation method is modified to reflect an existing use valuation. *This valuation was extended to cover all other sites by internal valuers.*

Notes to the Financial Statements (continued)

17 Tangible assets (continued)

Investment Properties

The valuation of investment properties comprises:	*31 March 2021*	*31 March 2020*
	£000	*£000*
Freehold properties	37,233	40,966
Long leasehold properties	4,887	5,060
	42,120	46,026

If the Group's investment properties had not been revalued they would have been included at the following amounts:

	31 March 2021	*31 March 2020*
	£000	*£000*
Cost	40,309	40,309

Land and buildings

The net book value of land and buildings comprises:	*31 March 2021*	*31 March 2020*
	£000	*£000*
Freeholds	81,734	73,409
Long leaseholds	32,568	27,526
Short leaseholds	7,164	8,286
	121,466	109,221

If freehold and long leasehold properties had not been revalued they would have been stated at:

	31 March 2021	*31 March 2020*
	£000	*£000*
Cost	115,076	114,729
Accumulated depreciation	(22,837)	(21,112)
	92,239	93,617

Depreciation has not been charged on the following:	*31 March 2021*	*31 March 2020*
	£000	*£000*
Freehold land	64,360	64,360
Long leasehold land	26,324	26,324
	90,684	90,684

Notes to the Financial Statements (continued)

18 Investments

Group total	*31 March 2021*	*31 March 2020*
	£000	*£000*
Fixed asset investments	-	-
Interest in joint ventures	-	-
	-	-

Group fixed asset investments	
	£000
Cost and net book value:	
At 1 April 2020	-
Movement in the year	-
At 31 March 2021	-

Group interest in joint ventures	
	£000
As at 1 April 2020 and 31 March 2021	-

The Group's share of the net assets and liabilities of the joint venture totals £50 *(2020: £51)*.

Company total	*31 March 2021*	*31 March 2020*
	£000	*£000*
Interest in subsidiary undertakings	138,788	138,788
	138,788	138,788

Company interest in subsidiary undertakings	
	£000
Shares at cost and net book value:	
At 1 April 2020	138,788
Movement in the year	-
At 31 March 2021	138,788

The related undertakings of MDL Marinas Group Limited are shown in note 37.

19 Stocks

	31 March 2021	*31 March 2020*
	£000	*£000*
Long term developments held for sale	4,221	4,810
Items for resale	165	197
	4,386	5,007

Long term developments held for sale includes £2,576k *(2020: £2,768k)* for the redevelopment of the Roundhouse building at Northney Marina into 21 residential apartments.

Notes to the Financial Statements (continued)

20 Debtors

Group	31 March 2021	31 March 2020
	£000	£000
Trade debtors	3,702	3,451
Group relief receivable	108	-
Other debtors	539	316
Prepayments and accrued income	1,524	1,548
	5,873	5,315

Company	31 March 2021	31 March 2020
	£000	£000
Amounts owed by Group undertakings	71,713	75,296
Deferred tax asset (note 26)	348	458
Group relief receivable	558	681
Other taxation and social security	1	-
Other debtors	23	23
Prepayments and accrued income	84	86
	72,727	76,544

Amounts owed by group undertakings are unsecured and accrue interest at 1.81% *(2020: 2.43%)* and are repayable on demand.

21 Cash at Bank and in hand

Group cash at bank and in hand of £11,607k *(2020: £10,825k)* includes £1,037k *(2020: £1,232k)* of restricted cash in the form of tenant rental deposits, service charge monies and reserve funds paid and held in a separately administered accounts.

22 Creditors: amounts falling due within one year

Group	31 March 2021	31 March 2020
	£000	£000
Bank loans and overdrafts (note 24)	3,333	3,333
Trade creditors	1,778	2,853
Amounts owed to ultimate parent company	7,166	9,503
Corporation tax	105	13
Group relief payable	-	4
Other taxation and social security	1,837	1,823
Other creditors	876	2,162
Government grants	51	51
Overseas taxation	172	37
Accruals and deferred income	14,337	12,436
	29,655	32,215

Notes to the Financial Statements (continued)

22 Creditors: amounts falling due within one year (continued)

Company	31 March 2021	31 March 2020
	£000	£000
Bank loans and overdrafts (note 24)	3,333	3,333
Trade creditors	2	19
Amounts owed to Group undertakings	137,318	135,273
Other creditors	15	15
Accruals and deferred income	138	132
	140,806	138,772

Amounts owed to the ultimate parent company are unsecured and accrue interest at rates between 2.5% and 8% (2020: 2.5% and 8%). Amounts owed to group undertakings are unsecured and accrue interest at 1.81% (2020: 2.43%). Both items are repayable on demand.

23 Creditors: amounts falling due after more than one year

Group	31 March 2021	31 March 2020
	£000	£000
Bank loans and overdrafts (note 24)	41,833	45,167
Derivative financial instruments	1,831	2,409
Government grants	186	237
	43,850	47,813

Company	31 March 2021	31 March 2020
	£000	£000
Bank loans and overdrafts (note 24)	41,833	45,167
Derivative financial instruments	1,831	2,409
	43,664	47,576

24 Bank loans and overdrafts

Group and Company	31 March 2021	31 March 2020
	£000	£000
Analysis of loan repayments - amounts due:		
Within one year	3,333	3,333
Between one and five years	41,833	45,167
Adjusted by:		
Deferred finance costs	(84)	(86)
	45,082	48,414

Notes to the Financial Statements (continued)

24 Bank loans and overdrafts (continued)

The total bank facilities available to the Group are £49,166k *(2020: £52,500k)* of which £45,166k *(2020: £48,500k)* had been drawn down at the balance sheet date.

During the year a total of £nil *(2020: £2,000k)* has been received in bank loan funding, whilst a total of £3,334k *(2020: £3,333k)* has been repaid.

Bank loans and overdrafts of UK undertakings are secured by fixed and floating charges over the assets of the Company and certain UK subsidiaries. Interest on all bank loans and overdrafts is at variable rates linked to the bank lending rate.

The Group reduces its exposure by converting a proportion of its debt from floating to pre-determined rates through the use of interest rate swaps and cap financial instruments with details disclosed in note 27 to the financial statements.

25 Post-employment benefits

Defined contribution scheme
The ultimate parent company, Yattendon Group Plc, operates a defined contribution pension scheme which employees of the Group are entitled to join. The cost to the Group of the defined contribution scheme is charged to operating profit during the year. The total contributions made to the scheme by the Group in the year amount to £181k *(2020: £207k)*.

26 Provisions for liabilities

(a) Group deferred tax

The provision for deferred tax consists of the following deferred tax liabilities/(assets):

	31 March 2021	*31 March 2020*
	£000	*£000*
Fixed asset timing differences	4,076	5,196
Short term timing differences	3,607	3,425
Non-trading timing differences	(348)	(458)
Losses	(87)	(229)
Revaluations/fair value adjustments	7,169	4,110
	14,417	12,044

Notes to the Financial Statements (continued)

26 Provisions for liabilities (continued)

(a) Group deferred tax (continued)

The movements in the deferred tax provision during the current year are as follows:

	£000
At 1 April 2020	12,044
Foreign exchange on retranslation of opening balances	246
Adjustment in respect of prior periods	116
Deferred tax credit to the profit and loss account for the year	(517)
Deferred tax credit to other comprehensive income for the year	2,528
At 31 March 2021	14,417

The net deferred tax liability expected to reverse in 2021/22 is £nil.

Company deferred tax

The deferred tax consists of the following deferred tax assets:

	31 March 2021 £000	31 March 2020 £000
Short term timing differences	(348)	(458)
	(348)	(458)

The movements in the deferred tax asset during the current year are as follows:

	£000
At 1 April 2020	(458)
Deferred tax charge to profit or loss for the year	110
At 31 March 2021	(348)

The net deferred tax liability expected to reverse in 2021/22 is £nil.

(b) Group dilapidations provision

Leasehold Dilapidations are an estimate of the works required at lease end, dependent on the exact lease terms, to return a leasehold property to the landlord in accordance with the terms of the lease. This may include reinstatement works, repairs and redecoration, as well as specific works that the lease requires.

	31 March 2021 £000	31 March 2020 £000
Long-leasehold dilapidations provision	1,725	-
	1,725	-

Notes to the Financial Statements (continued)

27 Financial instruments

Group

The Group has the following financial instruments:

	31 March 2021	*31 March 2020*
	£000	*£000*
Financial assets that are debt instruments measured at amortised cost		
- Trade debtors	3,702	3,451
- Other debtors	539	316
- Accrued income	459	657
	4,700	4,424
Financial assets that are equity instruments measured at cost less impairment	-	-
Financial liabilities measured at fair value through profit or loss		
- Derivative financial instruments	1,831	2,409
Financial liabilities measured at amortised cost		
- Bank loans and overdrafts	45,082	48,414
- Trade creditors	1,778	2,853
- Amounts owed to ultimate parent company	7,166	9,503
- Other creditors	876	2,162
- Accrued charges	1,957	1,297
	56,859	64,229

Derivative financial instruments - Interest rate swaps

Interest rate swap agreements of £29,375k *(2020: £36,250k)* have been entered into in order to reduce the risk of adverse interest rate movements.

At 31 March 2021, the value of the interest rate swap agreements in place were £29,375k (2020: £31,875k).

The active swap agreements are to effectively fix the interest payable on:

(i) £17,000k of UK variable bank lending rates up to 30 June 2028 at a rate of 2.33%; and
(ii) £12,375k of UK variable bank lending rates up to 31 December 2023 at a rate of 1.293%.

The aggregate fair value of swap and cap arrangements at 31 March 2021 was a deficit of £1,831k *(2020: £2,409k)*.

Notes to the Financial Statements (continued)

28 Called up share capital	*31 March 2021*	*31 March 2020*
	£000	*£000*
Allotted and fully paid:		
17,345,040 *(2019: 17,345,040)* ordinary shares of 50p each	8,672	8,672
	8,672	8,672

29 Other reserves

Other reserves of £15,185k *(2020: £15,185k)* comprises a Capital Redemption Reserve of £325k *(2020: £325k)* and an Other Reserve of £14,860k *(2020: £14,860k)*. The Capital Redemption Reserve arose in the year to 31 March 1991. Other reserves arose on acquisitions prior to the Company delisting in 1992.

The Revaluation Reserve had a balance of £27,935k at 31 March 2021 *(2020: £20,321k)*. The reserve represents revalued amounts over cost for investment property and land and buildings.

30 Notes to the group statement of cash flows	*Year ended 31 March 2021*	*Year ended 31 March 2020*
	£000	*£000*
Profit for the financial year	**1,047**	**2,204**
Adjustments for:		
Minority interests	(96)	(130)
Tax on profit	1,144	2,301
Net interest expenses	1,413	2,692
Operating profit	**3,508**	**7,067**
Amortisation of intangible fixed assets	10	19
Depreciation of tangible fixed assets	4,583	4,523
Profit on sale of tangible fixed assets	(23)	-
Revaluation gains credited/(charged) to operating profit	3,906	(1,955)
Increase in stocks	621	(2,151)
Increase in debtors	(450)	(183)
Increase in creditors and provisions	1,569	1,490
Amortisation of government grants	(51)	(51)
Cash flow from operating activities	13,673	8,759

Notes to the Financial Statements (continued)

31 Analysis of changes in net debt

Group

	At 1 April 2020	*Cash flows*	*New finance leases*	*Fair value or exchange adjustments*	*Other non-cash changes*	*At 31 March 2021*
Cash at bank	10,825	802	-	(20)	-	11,607
Cash and cash equivalents	10,825	802	-	(20)	-	11,607
Bank loans	(48,414)	3,332	-	-	-	(45,082)
Amounts owed to ultimate parent company	(9,503)	2,337	-	-	-	(7,166)
Derivatives	(2,409)	-	-	578		(1,831)
Borrowings	(60,326)	5,669	-	578	-	(54,079)
Total Net Debt	(49,501)	6,471	-	558	-	(42,472)

32 Capital commitments

The Group had the following capital commitments:

	31 March 2021	*31 March 2020*
	£000	*£000*
Contracts for future capital expenditure not provided in the	-	-
	-	-

The Group and Company had no other off-balance sheet arrangements.

33 Related party transaction

The Company has taken advantage of the exemption in FRS 102 (section 33) "Related party disclosure" not to disclose transactions with other companies that are wholly owned within the group.

34 Ultimate parent undertaking

The immediate parent company of the largest group of undertakings for which group financial statements are drawn up, and of which the company is a member, is Yattendon Group Plc, registered in England and Wales. Yattendon Group Plc is also regarded as the ultimate parent company and controlling party.

The registered office address of Yattendon Group Plc is Barn Close, Yattendon, Newbury, Berkshire, RG18 OUX.

Notes to the Financial Statements (continued)

35 Audit exemption for subsidiary companies

The following subsidiary companies are exempt from the requirements of the Companies Act 2006 to obtain an audit of their financial statements under section 479A of the Companies Act 2006. MDL Marinas Group Limited is providing the parent company guarantee.

Name of subsidiary Company	Registered Number
MDL Commercial Services Limited	08793101
MDL Development Company Number 2 Limited	05607366
MDL Developments Limited	01556329
Ocean Village Resorts Limited	05318322

36 Post balance sheet events

The March 2021 Budget announced a further increase to the rate of corporation tax to 25% from 1 April 2023. This rate has not been substantively enacted at 31 March 2021 and deferred tax has been calculated at 19%.

If deferred tax was remeasured at 25%, the effect would be an increase in the Group deferred tax liability of £3,412k and an increase in the Company deferred tax asset of £110k.

Notes to the Financial Statements (continued)

37 Related undertakings

MDL Marinas Group Limited has the following related undertakings:

	Country of Incorporation	*Share Class*	*Percentage of shares held*	*Reg. Off.*
Subsidiaries				
Bray Marina Limited	Great Britain	Ordinary	100	A
Brixham Yacht Harbour Limited	Great Britain	Ordinary	100	A
Cobb's Quay Limited	Great Britain	Ordinary	100	A
Hamble Point Marina Limited	Great Britain	Ordinary	100	A
Iliffe Digital Media Limited	Great Britain	Ordinary	100	A
Livemine Limited	Great Britain	Ordinary	100	A
Lockset Limited	Great Britain	Ordinary	100	A
Mailbox Distribution Limited	Great Britain	Ordinary	100	A
Marina Developments Limited	Great Britain	Ordinary	100	A
MDL Boat Sales Limited	Great Britain	Ordinary	100	A
MDL Commercial Services Limited	Great Britain	Ordinary	100	A
MDL Development Company Number 2 Limited	Great Britain	Ordinary	100	A
MDL Developments Limited	Great Britain	Ordinary	100	A
MDL Leisure Limited	Great Britain	Ordinary	100	A
MDL Marina Consultancy Limited	Great Britain	Ordinary	100	A
MDL Sant Carles 2005 SA (Spain)	Spain	Ordinary	100	B
MMV Apartment Management Company No.2 Limited	Great Britain	Ordinary	100	A
MMV Apartment Management Company No.3 Limited	Great Britain	Ordinary	100	A
MMV Apartment Management Company No.4 Limited	Great Britain	Ordinary	100	A
News Machine Limited	Great Britain	Ordinary	100	A
Ocean Village Marina (Apartment) Management Company No.3 Limited	Great Britain	Ordinary	100	A
Ocean Village Marina (Apartment) Management Company No.6 Limited	Great Britain	Ordinary	100	A
Ocean Village Marina (Apartment) Management Company No.7 Limited	Great Britain	Ordinary	100	A
Ocean Village Marina Management Company Limited	Great Britain	Ordinary	100	A
Penton Hook Holdings Limited	Great Britain	Ordinary	100	A
Penton Hook Marinas Limited	Great Britain	Ordinary	100	A
Sparkes Boatyard Company Limited	Great Britain	Ordinary	100	A
Sparkes Yacht Harbour Limited	Great Britain	Ordinary	100	A
The Black Country Bugle Limited	Great Britain	Ordinary	100	A
Torquay Yacht Harbours Limited	Great Britain	Ordinary	100	A
Troon Marina Limited	Great Britain	Ordinary	100	C

Notes to the Financial Statements (continued)

37 Related undertakings (continued)

	Country of Incorporation	*Share Class*	*Percentage of shares held*	*Reg. Off.*
Subsidiaries (continued)				
Village Voice Newspapers Limited	Great Britain	Ordinary	100	A
Windsor Marina Limited	Great Britain	Ordinary	100	A
The following are held through subsidiary undertakings:				
Cobbs Quay Storage Limited	Great Britain	Ordinary	100	A
Dean & Dyball (Plymouth) Limited	Great Britain	Ordinary	100	A
Hythe Marina Limited	Great Britain	Ordinary	100	A
Hythe Marina Village Limited	Great Britain	Ordinary	100	A
MDL Developments Overseas Limited	Great Britain	Ordinary	100	A
MDL Estates Limited	Great Britain	Ordinary	100	A
MDL Roundhouse Construction Limited	Great Britain	Ordinary	100	A
Ocean Village Marina Limited	Great Britain	Ordinary	100	A
Ocean Village Resorts Limited	Great Britain	Ordinary	100	A
Port Penlee Limited	Great Britain	Ordinary	100	A
Q.A.B. Limited	Great Britain	Ordinary	100	A
Roundhouse Management Company No.1 Limited	Great Britain	Ordinary	100	A
Sant Carles Marina SA	Spain	Ordinary	51	B
Joint Venture				
The following is held through a subsidiary undertaking:				
Port Penlee Waterside Developments Limited	Great Britain	Ordinary	50	D

The Group's share of the net assets and liabilities of the joint ventures totals £50 (2019: £51).

Reg. Off. (Registered Addresses)

A	The Yacht Club, 1 Channel Way, Ocean Village, Southampton, Hampshire, SO14 3QF
B	Ctra Poble Nou, 43540, S. Carles Rapita (43)
C	1 George Square, Glasgow, G2 1AL
D	The Mill, One High Street, Henley-in-Arden, Warwickshire, B95 5AA