COMPANY REGISTRATION NUMBER: 00634901

The Castle Hotel (Taunton) Limited

Filleted Unaudited Financial Statements

31 December 2019

The Castle Hotel (Taunton) Limited

Statement of Financial Position

31 December 2019

	Note	2019	2018
		£	£
Fixed assets			
Tangible assets	5	3,378,146	3,439,717
Current assets			
Stocks		39,783	42,669
Debtors	6	120,239	120,360
Cash at bank and in hand		413,045	458,140
		573,067	621,169
Creditors: amounts falling due within one year	7	528,132	522,445
Net current assets		44,935	98,724
Total assets less current liabilities		3,423,081	3,538,441
Creditors: amounts falling due after more than one year	8	465,335	519,164
Provisions			
Taxation including deferred tax		70,173	70,173
Net assets		2,887,573	2,949,104
Capital and reserves			
Called up share capital		24,574	24,574
Revaluation reserve		2,250,923	2,253,874
Profit and loss account		612,076	670,656
Shareholders funds		2,887,573	2,949,104

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

31 December 2019

These financial statements were approved by the board of directors and authorised for issue on 17 December 2020 , and are signed on behalf of the board by:

Mr N M C Chapman

Director

Company registration number: 00634901

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Castle Hotel, Castle Green, Taunton, Somerset, TA1 1NF. The financial statements are presented in sterling, which is the functional currency of the company .

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by inclusion of revaluation of certain financial assets as deemed cost on the adoption of FRS102.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Under Financial Reporting Standard 102 section 35.10(c) a first time adopter may elect to measure an item of fixed assets at its fair value at that date. The Directors' chose to apply this option.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Plant, Machinery and Improvements	-	over between 4 and 20 years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 108 (2018: 96).

5. Tangible assets

	Land and buildings	Plant and machinery	**Total**
	£	£	**£**
Cost			
At 1 January 2019	3,200,000	1,320,981	4,520,981
Additions	–	37,735	37,735
At 31 December 2019	3,200,000	1,358,716	4,558,716
Depreciation			
At 1 January 2019	93,500	987,764	1,081,264
Charge for the year	22,000	77,306	99,306
At 31 December 2019	115,500	1,065,070	1,180,570
Carrying amount			
At 31 December 2019	3,084,500	293,646	3,378,146
At 31 December 2018	3,106,500	333,217	3,439,717

Tangible assets held at valuation

The land and buildings were revalued by the directors on 1 October 2014 at £3,200,000 in their existing use and present condition as a fully operational entity.

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property	Plant and machinery	**Total**
	£	£	**£**
At 31 December 2019			
Aggregate cost	974,825	1,055,212	2,030,037
Aggregate depreciation	(80,263)	(835,914)	(916,177)
Carrying value	894,562	219,298	1,113,860
At 31 December 2018			
Aggregate cost	974,825	1,055,212	2,030,037
Aggregate depreciation	(64,975)	(738,612)	(803,587)
Carrying value	909,850	316,600	1,226,450

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery
	£
At 31 December 2019	–
At 31 December 2018	402

6. Debtors

	2019	2018
	£	£
Trade debtors	48,062	46,280
Other debtors	72,177	74,080
	120,239	120,360

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	–	271
Payments received on account	86,794	99,221
Trade creditors	142,183	149,380
Accruals and deferred income	88,914	88,438
Social security and other taxes	162,167	148,436
Obligations under finance leases and hire purchase contracts	–	402
Other creditors	48,074	36,297
	528,132	522,445

The bank loans and overdrafts are secured by a debenture as a fixed and floating charge over company and all property and assets present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery.

The obligations under finance leases and hire purchase contracts are secured on the assets being purchased.

8. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	465,335	519,164

The bank loans and overdrafts are secured by a debenture as a fixed and floating charge over company and all property and assets present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery.

The obligations under finance leases and hire purchase contracts are secured on the assets being purchased.

9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Later than 5 years	8,700	8,700

10. Related party transactions

The company is under the control of C H G Chapman. Three of the directors are included in the company's defined contributions pension scheme. Mrs A Chapman, who is the wife of N M C Chapman, and Mrs H Chapman, who is the wife of D A P Chapman, are both included in the company's private medical insurance scheme Mrs A Chapman, who is the wife of N M C Chapman, is employed within the company and received a salary of £4,000. During the period the company paid £1,800 to JRP Accountancy Ltd, a business owed by the director J R Peilow, for book-keeping, training and software services provided. No other transactions with related parties were undertaken such as required to be disclosed under FRS 102.