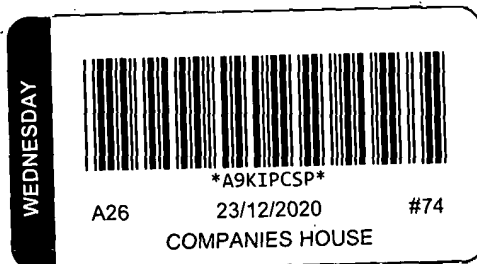


Registration number: 00767681

The Great House At Sonning Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019



The Great House At Sonning Limited

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The Great House At Sonning Limited

(Registration number: 00767681)

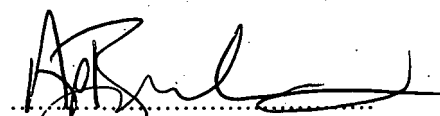
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	10,788,806	10,612,911
Current assets			
Stocks	5	1,322	13,112
Debtors	6	467,279	429,949
Cash at bank and in hand		60,267	202,962
		<u>528,868</u>	<u>646,023</u>
Creditors: Amounts falling due within one year	7	<u>(11,760,093)</u>	<u>(13,408,735)</u>
Net current liabilities		<u>(11,231,225)</u>	<u>(12,762,712)</u>
Total assets less current liabilities		(442,419)	(2,149,801)
Creditors: Amounts falling due after more than one year	7	<u>(2,409,228)</u>	<u>(325,500)</u>
Net liabilities		<u>(2,851,647)</u>	<u>(2,475,301)</u>
Capital and reserves			
Called up share capital		500,000	500,000
Profit and loss account		<u>(3,351,647)</u>	<u>(2,975,301)</u>
Shareholders' deficit		<u>(2,851,647)</u>	<u>(2,475,301)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 21/12/20 and signed on its behalf by:



A P Bradshaw
Director

The notes on pages 2 to 8 form an integral part of these financial statements.

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

2nd Floor
47-57 Marylebone Lane
London
W1U 2NT
United Kingdom

2 Accounting policies

Summary of significant accounting policies and key accounting estimates.

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

As at 31 December 2019, the Company had net liabilities of £2,851,647 (2018: £2,457,301) and a loss after taxation of £376,346 (2018: £417,670). The company is currently making operating profits (before intercompany interest which is rolled up into the loan) and the Directors have prepared forecasts that anticipate that the business will continue to be profitable and cash generative going forward.

On 5 June 2019 the Company renegotiated their loan facility with their lenders. The new facility is repayable in full by June 2024.

The parent company, Mudlark Hotels Limited, has confirmed, in writing, that it will not call in its intercompany loan within 12 months from the date of approval of the financial statements unless there are sufficient funds to be able to do so.

On this basis, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and for at least 12 months from the date of approval of the financial statements and continue to adopt the going concern basis in preparing the financial statements.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Dean Blunden BFP FCA, who signed for and on behalf of Ross Brooke Limited.

Revenue recognition

Revenue is recognised at the point at which accommodation and related services are provided and when the amount of revenue can be measured reliably and it is probable that the Company will receive the consideration due under the contract. Revenue is shown net of sales/value added tax, returns, rebates and discounts.

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Depreciation

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

Asset class	Depreciation method and rate
Freehold Property	Straight line over 50 years
Plant and machinery	Straight line over 7 years
Fixtures and fittings	Straight line over 7 years
Computer equipment	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3. Staff numbers

The average number of persons employed by the company (including directors) during the year, was 33 (2018 - 46).

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

4 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation					
At 1 January 2019	10,896,138	741,252	22,230	147,051	11,806,671
Additions	448,068	7,074	-	-	455,142
At 31 December 2019	11,344,206	748,326	22,230	147,051	12,261,813
Depreciation					
At 1 January 2019	496,527	625,052	20,612	51,569	1,193,760
Charge for the year	226,884	39,278	1,131	11,954	279,247
At 31 December 2019	723,411	664,330	21,743	63,523	1,473,007
Carrying amount					
At 31 December 2019	10,620,795	83,996	487	83,528	10,788,806
At 31 December 2018	10,399,611	116,200	1,618	95,482	10,612,911

Included within the net book value of land and buildings above is £10,620,795 (2018 - £10,399,611) in respect of freehold land and buildings.

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Stocks

	2019 £	2018 £
Other inventories	<u>1,322</u>	<u>13,112</u>

6 Debtors

	Note	2019 £	2018 £
Trade debtors		8,758	12,095
Amounts owed by group undertakings	9	226,457	226,282
Prepayments		30,070	32,589
Other debtors		<u>201,994</u>	<u>158,983</u>
		<u>467,279</u>	<u>429,949</u>

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Loans and borrowings	457,500	2,918,375
Trade creditors	31,429	248,635
Amounts owed to group undertakings	10,844,478	9,818,605
Taxation and social security	37,687	55,673
Other creditors	388,999	367,447
	<u>11,760,093</u>	<u>13,408,735</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	8	<u>2,409,228</u>	<u>325,500</u>

8 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	<u>457,500</u>	<u>2,918,375</u>

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	<u>2,409,228</u>	<u>325,500</u>

9 Related party transactions

Summary of transactions with other related parties

The Great House at Sonning Limited received income of £534,339 (2018: £603,658) during the year from Strada Trading Limited, a related party through common control and directors in common, and was owed £62,247 (2018: £Nil) at the year end. It also incurred expenses of £526,053 (2018: £350,925) and owed Strada Trading Limited £Nil (2018: £150,164).

The Great House At Sonning Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Parent and ultimate parent undertaking

The Company's immediate parent company is Mudlark Hotels Limited, a company registered in England and Wales.

The ultimate parent undertaking is Xercise 2 Limited, a company registered in England and Wales.

The ultimate controlling party of Xercise 2 Limited is H E Osmond.

11 Non adjusting events after the financial period

Post year end the Company completed a hive down of certain business assets and transferred the trade to a new subsidiary, Rare Bird Hotels at Sonning Limited. This company was subsequently sold for £2.317 million in September 2020. Subsequent to the sale, the Company, having retained the freehold property, changed the nature of its trade to that of a property rental business.

Post balance sheet date on 23 March 2020, the United Kingdom entered into a period of national lockdown due to the global coronavirus pandemic. Following the easing of this lockdown, subsequent measures were implemented in relation to controlling the spread of the pandemic and continue to remain in place to varying degrees at the date of this report. Whilst the immediate financial effects caused by the impact on trading conditions of these measures cannot be quantified and the longer term wider economic outlook remains uncertain, the directors believe that the company is well placed to manage any business risks arising as a consequence of the pandemic.