

**Yorkcloud Limited
Trading as
Lakeside Hotel & Spa**

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 January 2021**

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

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for the year ended 31 January 2021

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Yorkcloud Limited
Trading as Lakeside Hotel & Spa

Company Information
for the year ended 31 January 2021

DIRECTORS:

DMB Snowdon
CJ Malpas
C Wilson

REGISTERED OFFICE:

Haverthwaite Lodge
Haverthwaite
Ulverston
Cumbria
LA12 8AJ

REGISTERED NUMBER:

01679025 (England and Wales)

AUDITORS:

A I Cherry Limited
Chartered Accountants and
Statutory Auditors
26 Winckley Square
Preston
PR1 3JJ

Yorkcloud Limited (Registered number: 01679025)

Trading as Lakeside Hotel & Spa

Strategic Report

for the year ended 31 January 2021

The directors present their strategic report for the year ended 31 January 2021.

REVIEW OF BUSINESS

The results for the year and financial position are shown in the annexed financial statements.

The hotel started to experience the effects of the covid-19 pandemic from late February 2020, which resulted in the hotel closing for the first time on 22 March 2020. Following this all staff were furloughed until the hotel reopened at the beginning of August 2020 before it closed again for November 2020. The hotel opened again in December 2020 and enjoyed good christmas bookings before the hotel closed again on 30 December 2020 necessitating the refund of the new year bookings. It is expected that the hotel will be fully open for 17 May 2021 from when there are substantial bookings. There remains a business rates holiday and a reduction in the rate of VAT for hospitality businesses.

The Company took advantage of Government support for businesses and in particular the Coronavirus Job Retention Scheme ("CJRS"), the business rates holiday for the year ended 31 March 2021 and beyond, the Coronavirus Business Interruption Loan Scheme ("CBILS") and the reduction in the rate of VAT for hospitality businesses. Additional CBILS loans were received in the current year (with the Government guaranteeing 80%) and the bank agreed to a twelve month loan repayment holiday on the existing loans.

At 31 January 2021, the company had net assets of £2.3m (2020: £2.9m)

PRINCIPAL RISKS AND UNCERTAINTIES

The directors continue to take steps to mitigate the principal risks and uncertainties facing the business. The key business risks are considered to be:

- Risk of loss of regular customers. The current economic climate, the impact of the covid-19 pandemic and occurrence of a flood could lead to a loss of returning customers. The directors have assessed this risk and believe that the strength of the brand and quality of the facilities substantially reduce this risk.
- Liquidity. The Company continues to fund its working capital by means of a facility, which was renewed for a further period in April 2021.

KEY PERFORMANCE INDICATORS

As the hotel was closed for more than half of the year the amounts below are not really comparable.
Gross margin 24.4% (2020: 42.4%) calculated as Gross Profit including CJRS grants received/Turnover.
Sales per employee £16,778 (2020: £39,335) calculated as Turnover/average number of employees.

ON BEHALF OF THE BOARD:

DMB Snowden - Director

30 April 2021

Yorkcloud Limited (Registered number: 01679025)

Trading as Lakeside Hotel & Spa

Report of the Directors **for the year ended 31 January 2021**

The directors present their report with the financial statements of the company for the year ended 31 January 2021.

DIVIDENDS

The directors have not approved the payment of a dividend to the holding company (2020: £nil) during the year.

FUTURE DEVELOPMENTS

The cyclical refurbishment of hotel bedrooms and bathrooms will continue in the following year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2020 to the date of this report.

DMB Snowdon
CJ Malpas
C Wilson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Report of the Directors
for the year ended 31 January 2021

AUDITORS

The auditors, A. I. Cherry Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

DMB Snowdon - Director

30 April 2021

Report of the Independent Auditors to the Members of Yorkcloud Limited

Opinion

We have audited the financial statements of Yorkcloud Limited (the 'company') for the year ended 31 January 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw your attention to note 2 of the financial statements where the directors set out the basis upon which they have concluded that the financial statements should be prepared on a going concern basis. In their assessment they highlight that the current bank overdraft facility agreement expires on 30 September 2021. They also note the existence of a downside scenario due to COVID 19. These matters indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects. However as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time that they were made, the absence of reference to an undisclosed material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Report of the Independent Auditors to the Members of Yorkcloud Limited

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of Yorkcloud Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Ian Cherry BA FCA MAE MCI Arb MEWI (Senior Statutory Auditor)
for and on behalf of A I Cherry Limited
Chartered Accountants and
Statutory Auditors

7 May 2021

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Income Statement
for the year ended 31 January 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|--------------------|------------------|
| TURNOVER | | 1,694,945 | 4,877,543 |
| Cost of sales | | <u>1,905,337</u> | <u>2,811,144</u> |
| GROSS (LOSS)/PROFIT | | (210,392) | 2,066,399 |
| Administrative expenses | | <u>1,052,429</u> | <u>1,993,746</u> |
| | | (1,262,821) | 72,653 |
| Other operating income | | <u>680,822</u> | - |
| OPERATING (LOSS)/PROFIT | 4 | (581,999) | 72,653 |
| Amounts written off investments | 5 | <u>13,073</u> | <u>3,784</u> |
| | | (595,072) | 68,869 |
| Interest payable and similar expenses | 6 | <u>64,682</u> | <u>8,263</u> |
| (LOSS)/PROFIT BEFORE TAXATION | | (659,754) | 60,606 |
| Tax on (loss)/profit | 7 | <u>(147,496)</u> | <u>13,666</u> |
| (LOSS)/PROFIT FOR THE FINANCIAL YEAR | | (512,258) | 46,940 |

The notes form part of these financial statements

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Other Comprehensive Income
for the year ended 31 January 2021

| | Notes | 2021 £ | 2020 £ |
|--|-------|------------------|---------------|
| (LOSS)/PROFIT FOR THE YEAR | | (512,258) | 46,940 |
| OTHER COMPREHENSIVE INCOME | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>(512,258)</u> | <u>46,940</u> |

The notes form part of these financial statements

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Balance Sheet

31 January 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|-------------------------|---------------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 8 | | - | | - |
| Tangible assets | 9 | | 5,299,318 | | 5,389,140 |
| Investments | 10 | | - | | 36,213 |
| | | | <u>5,299,318</u> | | <u>5,425,353</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | 54,282 | | 70,538 | |
| Debtors | 12 | 210,327 | | 273,677 | |
| Cash in hand | | 2,230 | | 2,230 | |
| | | <u>266,839</u> | | <u>346,445</u> | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | <u>1,647,160</u> | | <u>2,036,999</u> | |
| NET CURRENT LIABILITIES | | | <u>(1,380,321)</u> | | <u>(1,690,554)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,918,997 | | 3,734,799 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 14 | | (1,494,108) | | (731,286) |
| PROVISIONS FOR LIABILITIES | 18 | | <u>(81,020)</u> | | <u>(147,386)</u> |
| NET ASSETS | | | <u>2,343,869</u> | | <u>2,856,127</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 19 | | 92,400 | | 92,400 |
| Share premium | 20 | | 57,600 | | 57,600 |
| Retained earnings | 20 | | <u>2,193,869</u> | | <u>2,706,127</u> |
| SHAREHOLDERS' FUNDS | | | <u>2,343,869</u> | | <u>2,856,127</u> |

The financial statements were approved by the Board of Directors and authorised for issue on 30 April 2021 and were signed on its behalf by:

DMB Snowdon - Director

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Statement of Changes in Equity
for the year ended 31 January 2021

| | Called up share capital £ | Retained earnings £ | Share premium £ | Total equity £ |
|-----------------------------------|--|------------------------------------|--------------------------------|-------------------------------|
| Balance at 1 February 2019 | 92,400 | 2,659,187 | 57,600 | 2,809,187 |
| Changes in equity | | | | |
| Total comprehensive income | - | 46,940 | - | 46,940 |
| Balance at 31 January 2020 | 92,400 | 2,706,127 | 57,600 | 2,856,127 |
| Changes in equity | | | | |
| Total comprehensive income | - | (512,258) | - | (512,258) |
| Balance at 31 January 2021 | 92,400 | 2,193,869 | 57,600 | 2,343,869 |

The notes form part of these financial statements

Yorkcloud Limited (Registered number: 01679025)

Trading as Lakeside Hotel & Spa

Notes to the Financial Statements **for the year ended 31 January 2021**

1. STATUTORY INFORMATION

Yorkcloud Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

The hotel started to experience the effects of the covid-19 pandemic from late February 2020, which resulted in the hotel closing for the first time on 22 March 2020. The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

- All staff were furloughed until the hotel reopened at the beginning of August 2020 before it closed again for November 2020 before opening again prior to closing on 30 December 2020. The Company took advantage of Government support for businesses and in particular the Coronavirus Job Retention Scheme ("CJRS"),
- the business was granted business rates holiday for the year ended 31 March 2021 and beyond,
- the business was granted a loan from Coronavirus Business Interruption Loan Scheme ("CBILS"),
- the business benefited from the reduction in the rate of VAT for hospitality businesses, and
- a twelve month bank loan repayment holiday was arranged.

National Westminster Bank plc provide an overdraft facility to the company. This facility has been renewed and the current agreement will expire on 30 September 2021. The bank has in previous years renewed this facility on an annual basis following requests made by the directors. The directors have no reason to believe that a further renewal of this facility will not be granted. However at the date of signing of the accounts the directors are not in a position to confirm that the bank will extend the facility beyond 30 September 2021.

The company has received support from CBILS loans and has been granted further support since the year end. Based upon the profit and cashflow forecasts of the business for the year to 31 January 2022 the directors consider that any failure to extend the facility would not require a change to the going concern consideration of the accounts.

Whilst the company's trading and cash flow forecasts have been prepared using current trading assumptions, the operating environment presents a number of challenges which could negatively impact the actual performance achieved.

Based on the above indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, the specific downside scenario detailed above would indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

Yorkcloud Limited (Registered number: 01679025) Trading as Lakeside Hotel & Spa

Notes to the Financial Statements - continued for the year ended 31 January 2021

2. ACCOUNTING POLICIES - continued

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, is amortised evenly over its useful life.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

No depreciation is provided on the company's freehold buildings as the directors consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition, are sufficiently high that any depreciation would be immaterial. The directors consider that the aggregate of their residual values is at least equal to the aggregate of their book values. Depreciation of all other tangible assets is calculated to write down the cost less estimated residual value by instalments over their expected useful lives. The rates and periods generally applicable are:

| | |
|-----------------------|--------------------------|
| Plant in buildings | 6% reducing balance |
| Fixtures and fittings | 10%-33% reducing balance |
| Motor vehicles | 25% reducing balance |

Government grants

The CJRS, CBILS and small business local authority grant are government grants accounted for under the accruals model. Where the grant is classed as revenue, it is recognised in income on a systematic basis over the periods in which the company recognises the related costs.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Yorkcloud Limited (Registered number: 01679025)
Trading as Lakeside Hotel & Spa

Notes to the Financial Statements - continued
for the year ended 31 January 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Investments

Investments are stated at cost less any provisions for impairment.

3. EMPLOYEES AND DIRECTORS

| | 2021 £ | 2020 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,516,146 | 1,889,677 |
| Social security costs | 94,427 | 144,022 |
| Other pension costs | 71,248 | 60,475 |
| | <u>1,681,821</u> | <u>2,094,174</u> |

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

| | 2021 | 2020 |
|------------|------------|------------|
| Management | 6 | 7 |
| Staff | 95 | 117 |
| | <u>101</u> | <u>124</u> |

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Directors' remuneration | 119,154 | 154,338 |
| Directors' pension contributions to money purchase schemes | <u>40,000</u> | <u>31,000</u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | 2021 | 2020 |
|------------------------|----------|----------|
| Money purchase schemes | <u>1</u> | <u>1</u> |

Yorkcloud Limited (Registered number: 01679025)
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Notes to the Financial Statements - continued
for the year ended 31 January 2021

4. OPERATING (LOSS)/PROFIT

The operating loss (2020 - operating profit) is stated after charging/(crediting):

| | 2021 | 2020 |
|------------------------------------|----------------|-------------|
| | £ | £ |
| Hire of plant and machinery | 21,730 | 30,944 |
| Depreciation - owned assets | 123,108 | 176,142 |
| Profit on disposal of fixed assets | (5,117) | - |
| Auditors' remuneration | 7,350 | 7,350 |
| Pension contributions | 71,248 | 60,475 |

5. AMOUNTS WRITTEN OFF INVESTMENTS

| | 2021 | 2020 |
|--------------------------------|---------------|-------------|
| | £ | £ |
| Share of result of partnership | 13,073 | 3,784 |

6. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2021 | 2020 |
|----------------------------|---------------|-------------|
| | £ | £ |
| Bank interest | 40,464 | 28,571 |
| Other loan interest | - | (20,308) |
| Notional interest on CBILS | 24,218 | - |
| | 64,682 | 8,263 |

7. TAXATION

Analysis of the tax (credit)/charge

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

| | 2021 | 2020 |
|-----------------------------|------------------|-------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | (81,129) | 15,023 |
| Deferred tax: | | |
| Deferred tax - current year | (29,059) | (1,357) |
| Deferred tax - prior year | (37,308) | - |
| Total deferred tax | (66,367) | (1,357) |
| Tax on (loss)/profit | (147,496) | 13,666 |

UK corporation tax has been charged at 19% (2020 - 19%).

Yorkcloud Limited (Registered number: 01679025)
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Notes to the Financial Statements - continued
for the year ended 31 January 2021

7. TAXATION - continued

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

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

| | 2021 £ | 2020 £ |
|--|------------------|---------------|
| (Loss)/profit before tax | <u>(659,754)</u> | <u>60,606</u> |
| (Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%) | (125,353) | 11,515 |
| Effects of: | | |
| Expenses not deductible for tax purposes | (2,175) | 1,992 |
| Effect of changing tax rates | 17,340 | 159 |
| Adjustment prior year deferred tax provision | (37,308) | - |
| Total tax (credit)/charge | <u>(147,496)</u> | <u>13,666</u> |

8. INTANGIBLE FIXED ASSETS

COST

At 1 February 2020
and 31 January 2021

AMORTISATION

At 1 February 2020
and 31 January 2021

NET BOOK VALUE

At 31 January 2021

At 31 January 2020

Goodwill
£

272,526

272,526

-

-

The goodwill relates to the purchase of The Boathouse Hotel in May 2007.

Yorkcloud Limited (Registered number: 01679025)
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Notes to the Financial Statements - continued
for the year ended 31 January 2021

9. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|------------------------|---------------------------|----------------------------------|------------------------|------------------|
| COST | | | | |
| At 1 February 2020 | 5,190,183 | 2,516,153 | 79,678 | 7,786,014 |
| Additions | - | 38,822 | - | 38,822 |
| Disposals | - | - | (75,678) | (75,678) |
| At 31 January 2021 | <u>5,190,183</u> | <u>2,554,975</u> | <u>4,000</u> | <u>7,749,158</u> |
| DEPRECIATION | | | | |
| At 1 February 2020 | 376,955 | 1,946,145 | 73,774 | 2,396,874 |
| Charge for year | 10,096 | 112,920 | 92 | 123,108 |
| Eliminated on disposal | - | - | (70,142) | (70,142) |
| At 31 January 2021 | <u>387,051</u> | <u>2,059,065</u> | <u>3,724</u> | <u>2,449,840</u> |
| NET BOOK VALUE | | | | |
| At 31 January 2021 | <u>4,803,132</u> | <u>495,910</u> | <u>276</u> | <u>5,299,318</u> |
| At 31 January 2020 | <u>4,813,228</u> | <u>570,008</u> | <u>5,904</u> | <u>5,389,140</u> |

10. FIXED ASSET INVESTMENTS

| | Interest in other participating interests £ |
|------------------------|---|
| COST | |
| At 1 February 2020 | 182,962 |
| Disposals | (182,962) |
| At 31 January 2021 | - |
| PROVISIONS | |
| At 1 February 2020 | 146,749 |
| Provision for year | 13,073 |
| Eliminated on disposal | (159,822) |
| At 31 January 2021 | - |
| NET BOOK VALUE | |
| At 31 January 2021 | - |
| At 31 January 2020 | <u>36,213</u> |

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Notes to the Financial Statements - continued
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10. FIXED ASSET INVESTMENTS - continued

The company had a participating interest of 38.2% in Fine Food Marketing LLC, which is a limited liability company organised under the laws of the State of New York, USA. Together with its wholly owned subsidiary Chelsea Market Baskets Limited it trades as importers and distributors of gourmet food products and gift baskets. During the year, the company's share in the loss of Fine Food Marketing LLC was £13,073 (2020: £3,784). The companies share of the net assets of Fine Food Marketing LLC was \$152,487 (2020: \$170,134). The investment in Fine Food Marketing LLC at 31 January 2021 was £nil (2020: £36,213).

11. STOCKS

| | 2021 £ | 2020 £ |
|-------|---------------|---------------|
| Stock | <u>54,282</u> | <u>70,538</u> |

12. DEBTORS

| | 2021 £ | 2020 £ |
|--------------------------------------|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 14,687 | 167,134 |
| Other debtors | 88,248 | 32,212 |
| Tax | 81,129 | - |
| Prepayments and accrued income | 18,918 | 66,986 |
| | <u>202,982</u> | <u>266,332</u> |

Amounts falling due after more than one year:
 Amounts owed by group undertakings

7,345 7,345

Aggregate amounts

210,327 273,677

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Bank loans and overdrafts (see note 15) | 431,761 | 631,733 |
| Payments on account | 288,726 | 235,549 |
| Trade creditors | 93,837 | 428,341 |
| Corporation tax | - | 15,023 |
| Social security and other taxes | 96,192 | 141,796 |
| Other creditors | 150,000 | 150,000 |
| Directors' loan accounts | 372,000 | 197,200 |
| Accruals and deferred income | 214,644 | 237,357 |
| | <u>1,647,160</u> | <u>2,036,999</u> |

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2021 £ | 2020 £ |
|--------------------------|------------------|----------------|
| Bank loans (see note 15) | <u>1,494,108</u> | <u>731,286</u> |

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Notes to the Financial Statements - continued
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15. LOANS

An analysis of the maturity of loans is given below:

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | 293,760 | 594,481 |
| Bank loans | <u>138,001</u> | <u>37,252</u> |
| | <u>431,761</u> | <u>631,733</u> |
| Amounts falling due between one and two years: | | |
| Bank loans | <u>159,716</u> | <u>111,750</u> |
| Amounts falling due between two and five years: | | |
| Bank loans | <u>425,314</u> | <u>325,914</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans | <u>909,078</u> | <u>293,622</u> |

The interest rate on the bank loans are at various rates linked to bank base rate and are repayable up to 2028. The bank loans are secured by a debenture and legal charges over certain of the company's freehold properties.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2021 £ | 2020 £ |
|----------------------------|----------------|----------------|
| Within one year | 68,655 | 68,712 |
| Between one and five years | <u>40,268</u> | <u>86,845</u> |
| | <u>108,923</u> | <u>155,557</u> |

17. SECURED DEBTS

The following secured debts are included within creditors:

| | 2021 £ | 2020 £ |
|-----------------|------------------|------------------|
| Bank overdrafts | 293,760 | 594,481 |
| Bank loans | <u>1,632,109</u> | <u>768,538</u> |
| | <u>1,925,869</u> | <u>1,363,019</u> |

The bank loans and overdraft are secured by a debenture and legal charges over certain of the company's freehold properties.

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Notes to the Financial Statements - continued
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18. PROVISIONS FOR LIABILITIES

| | 2021 £ | 2020 £ |
|--|-----------------|---------------------|
| Deferred tax | | |
| Accelerated capital allowances | 110,077 | 147,386 |
| Losses carried forward | <u>(29,057)</u> | <u>-</u> |
| | <u>81,020</u> | <u>147,386</u> |
| | | Deferred tax |
| | | £ |
| Balance at 1 February 2020 | | 147,386 |
| Credit to Income Statement during year | | <u>(66,366)</u> |
| Balance at 31 January 2021 | | <u>81,020</u> |

Deferred tax has been calculated at a rate of 19% (2020: 17%).

19. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | 2021 £ | 2020 £ |
|----------------------------------|----------|----------------|---------------|---------------|
| Number: | Class: | Nominal value: | | |
| | | £1 | <u>92,400</u> | <u>92,400</u> |
| 92,400 | Ordinary | | | |

20. RESERVES

| | Retained earnings £ | Share premium £ | Totals £ |
|----------------------|------------------------|--------------------|------------------|
| At 1 February 2020 | 2,706,127 | 57,600 | 2,763,727 |
| Deficit for the year | <u>(512,258)</u> | | <u>(512,258)</u> |
| At 31 January 2021 | <u>2,193,869</u> | <u>57,600</u> | <u>2,251,469</u> |

21. ULTIMATE PARENT COMPANY

The company is a 100% subsidiary of Lakeside Hotel Windermere Limited. The registered office address is Haverthwaite Lodge, Haverthwaite, Ulverston, Cumbria, LA12 8AJ. The results of this company are consolidated into the accounts of Lakeside Hotel Windermere Limited, and copies are available from their office.

The ultimate parent company is Lakeside Hotel Windermere Limited.

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22. TRANSACTIONS WITH DIRECTORS

During the year the company borrowed monies from the directors. No interest was due to the directors in relation to these balances in this or the prior year.

During the year consultancy costs of £nil (2020: £40,000) were paid to a company relating to the services of a director.

On 1 January 2021 the investment in Fine Food Marketing LLC was sold at market value of £25,200 to a company controlled by one of the directors

23. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The details of movements on the company's partnership capital investment in and loans to Fine Food Marketing LLC are shown in note 11.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.