

Kenwick Park Hotel Limited

Annual Report and Consolidated Financial Statements
for the Period from 31 March 2013 to 29 March 2014

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17/12/2014

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COMPANIES HOUSE

Forrester Boyd
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

KENWICK PARK HOTEL LIMITED

CONTENTS

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 8
Consolidated Profit and Loss Account	9
Consolidated Statement of Total Recognised Gains and Losses	10
Consolidated Balance Sheet	11
Balance Sheet	12
Consolidated Cash Flow Statement	13 to 14
Notes to the Financial Statements	15 to 29

KENWICK PARK HOTEL LIMITED

COMPANY INFORMATION

Directors Mr S D Flynn
Mrs S Flynn

Company secretary Mrs S Flynn

Registered office Kenwick Park
Louth
Lincolnshire
LN11 8NR

Bankers Barclays Bank Plc
2 Arena Court
Sheffield
S9 2WU

Auditors Forrester Boyd
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

KENWICK PARK HOTEL LIMITED

STRATEGIC REPORT FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

The directors present their strategic report for the period from 31 March 2013 to 29 March 2014.

Business review

Fair review of the business

We aim to present a balanced and comprehensive review of the development and performance of the Group's businesses during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and its written in the context of the risks and uncertainties we face.

The directors are pleased with the results achieved for 2014, which has seen the turnover remain reasonably consistent despite difficult economic times, and remain confident that the group will continue to operate profitably with the potential for future growth.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross margin.

The group continues to provide the following core services, for which turnover is as follows:

The group's key financial and other performance indicators during the period were as follows:

	Unit	2014	2013
Rooms		566,417	537,751
Food and beverage		1,108,689	1,070,719
Other (conferences/weddings/golf breaks, etc)		135,674	111,727
Beauty treatments		271,303	185,850
Provision of cabin hire		372,122	336,455
Cabin site maintenance		135,703	134,230
Health & Leisure Club		557,275	539,741

Rooms - The occupancy has increased in 2014 by 6%, with a slightly lower average room rate.

Food and beverage - Gross margins for the year ended 29th March 2014 of 33% (2013: 35%) have decreased due to higher direct costs relative to the increased turnover.

Beauty treatments - Gross margin 27% (2013: 19%), have increased due to the strong increase in sales.

Cabins - Gross margin 18% (2013: 23%) has decreased in the year due to increased cabin costs.

Cabin site maintenance - The company operates as 'site' agents and recharges all costs incurred.

Health & Leisure Club - The company has seen a small increase in the number of members. The director believes that this increase is encouraging and that these facilities now offer the company some good opportunities linking with other departments such as beauty and cabins going forward.

Principal risks and uncertainties

The management of the business and nature of the Group's strategy remain subject to a number of risks as detailed in the Directors' Report. Despite these risks the directors are of the opinion that the principal risks to the business are low.

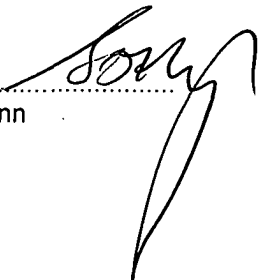
Approved by the Board on ... 8/12/14 ... and signed on its behalf by:

KENWICK PARK HOTEL LIMITED

**STRATEGIC REPORT FOR THE PERIOD FROM 31 MARCH 2013 TO 29
MARCH 2014**

..... **CONTINUED**

.....
Mr S D Flynn
Director

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KENWICK PARK HOTEL LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

The directors present their report and the consolidated financial statements for the period from 31 March 2013 to 29 March 2014.

Directors of the company

The directors who held office during the period were as follows:

Mr S D Flynn

Mrs S Flynn

Financial instruments

Objectives and policies

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a strong control over cashflow.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise of loans from the financial institutions. The loan is now on a repayment basis and the business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

The principal risk and uncertainties faced by the company are:

The continued economic slowdown and "credit crunch", the future impact of this on the company, and it's duration.

Price risk, credit risk, liquidity risk and cash flow risk

As for many businesses of our size, the business environment in which we operate continues to be challenging as we are subject to consumers overall level of disposable income.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

Disclosure of information to the auditor

Each director has taken 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's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Forrester Boyd as auditors of the group is to be proposed at the forthcoming Annual General Meeting.

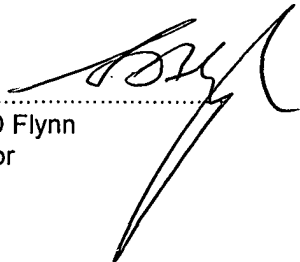
Approved by the Board on 8 July and signed on its behalf by:

KENWICK PARK HOTEL LIMITED

**DIRECTORS' REPORT FOR THE PERIOD FROM 31 MARCH 2013 TO 29
MARCH 2014**

..... CONTINUED

.....
Mr S D Flynn
Director

A handwritten signature in black ink, appearing to read 'S D Flynn', is written over a dotted line. The signature is stylized with a large, sweeping flourish at the end.

KENWICK PARK HOTEL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KENWICK PARK HOTEL LIMITED

We have audited the financial statements of Kenwick Park Hotel Limited for the period from 31 March 2013 to 29 March 2014, set out on pages 9 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 29 March 2014 and of the group's profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KENWICK PARK HOTEL LIMITED

..... **CONTINUED**

Matters on which we are required to report by exception

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 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.



David Everatt BA FCA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South Saint Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

Date: 8/12/14

KENWICK PARK HOTEL LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM
31 MARCH 2013 TO 29 MARCH 2014**

		31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
	Note		
Turnover		3,310,537	2,921,123
Cost of sales		<u>(614,473)</u>	<u>(533,423)</u>
Gross profit		2,696,064	2,387,700
Administrative expenses		<u>(2,237,018)</u>	<u>(2,114,616)</u>
Group operating profit	2	459,046	273,084
Interest payable and similar charges	6	<u>(72,004)</u>	<u>(77,323)</u>
Profit on ordinary activities before taxation		387,042	195,761
Tax on profit on ordinary activities	7	<u>(19,182)</u>	<u>(34,145)</u>
Profit for the financial period attributable to members of the parent company	15	<u><u>367,860</u></u>	<u><u>161,616</u></u>

Turnover and operating profit derive wholly from continuing operations.

KENWICK PARK HOTEL LIMITED**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND
LOSSES FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014**

	Note	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Profit for the financial period		367,860	161,616
Unrealised surplus/(deficit) on revaluation of properties		<u>222,286</u>	<u>(39,839)</u>
Total recognised gains and losses relating to the period		<u><u>590,146</u></u>	<u><u>121,777</u></u>

The notes on pages 15 to 29 form an integral part of these financial statements.

KENWICK PARK HOTEL LIMITED

CONSOLIDATED BALANCE SHEET AT 29 MARCH 2014

		29 March 2014		30 March 2013	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	8		5,017,240		4,779,286
Other investments	9		157,599		157,599
			<u>5,174,839</u>		<u>4,936,885</u>
Current assets					
Stocks	10	27,635		28,118	
Debtors	11	1,009,447		823,755	
Cash at bank and in hand		<u>336,347</u>		<u>79,611</u>	
		1,373,429		931,484	
Creditors: Amounts falling due within one year	12	<u>(1,312,536)</u>		<u>(1,180,832)</u>	
Net current assets/(liabilities)			<u>60,893</u>		<u>(249,348)</u>
Total assets less current liabilities			5,235,732		4,687,537
Creditors: Amounts falling due after more than one year	13		<u>(2,941,298)</u>		<u>(2,983,249)</u>
Net assets			<u><u>2,294,434</u></u>		<u><u>1,704,288</u></u>
Capital and reserves					
Called up share capital	14	451,000		451,000	
Share premium account	15	25,000		25,000	
Revaluation reserve	15	2,121,504		1,899,218	
Profit and loss account	15	<u>(303,070)</u>		<u>(670,930)</u>	
Shareholders' funds	16		<u><u>2,294,434</u></u>		<u><u>1,704,288</u></u>

Approved and authorised for issue by the Board on 8/12/14 and signed on its behalf by:

.....
Mr S D Flynn
Director

KENWICK PARK HOTEL LIMITED
(REGISTRATION NUMBER: 02685788)
BALANCE SHEET AT 29 MARCH 2014

	Note	29 March 2014 £	30 March 2013 £
Fixed assets			
Tangible fixed assets	8	5,017,240	4,779,286
Investments	9	158,599	158,599
		<u>5,175,839</u>	<u>4,937,885</u>
Current assets			
Stocks	10	27,635	28,118
Debtors	11	1,004,683	818,693
Cash at bank and in hand		336,305	79,468
		<u>1,368,623</u>	<u>926,279</u>
Creditors: Amounts falling due within one year	12	(1,301,315)	(1,170,175)
Net current assets/(liabilities)		<u>67,308</u>	<u>(243,896)</u>
Total assets less current liabilities		5,243,147	4,693,989
Creditors: Amounts falling due after more than one year	13	(2,943,941)	(3,042,075)
Net assets		<u>2,299,206</u>	<u>1,651,914</u>
Capital and reserves			
Called up share capital	14	451,000	451,000
Share premium account	15	25,000	25,000
Revaluation reserve	15	2,121,504	1,899,218
Profit and loss account	15	(298,298)	(723,304)
Shareholders' funds	16	<u>2,299,206</u>	<u>1,651,914</u>

Approved and authorised for issue by the Board on 8/12/14 and signed on its behalf by:

Mr S D Flynn
Director

KENWICK PARK HOTEL LIMITED**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014****Reconciliation of operating profit to net cash flow from operating activities**

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Operating profit	459,046	273,084
Depreciation, amortisation and impairment charges	76,915	101,672
Profit on disposal of fixed assets	-	(14,287)
Decrease in stocks	483	9,871
Increase in debtors	(185,692)	(130,526)
Increase/(decrease) in creditors	171,235	(181,224)
Net cash inflow from operating activities	<u>521,987</u>	<u>58,590</u>

Cash flow statement

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Net cash inflow from operating activities	<u>521,987</u>	<u>58,590</u>
Returns on investments and servicing of finance		
HP and finance lease interest	(3,531)	(1,740)
Interest paid	<u>(68,473)</u>	<u>(75,583)</u>
	<u>(72,004)</u>	<u>(77,323)</u>
Tax received	<u>2,254</u>	<u>19,335</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(92,582)	(51,653)
Sale of tangible fixed assets	-	109,950
Sale of investments	-	100
	<u>(92,582)</u>	<u>58,397</u>
Net cash inflow before management of liquid resources and financing	<u>359,655</u>	<u>58,999</u>
Financing		
Repayment of loans and borrowings	(140,650)	(147,141)
Repayment of capital element of finance leases and HP contracts	<u>37,732</u>	<u>(9,868)</u>
	<u>(102,918)</u>	<u>(157,009)</u>
Increase/(decrease) in cash	<u>256,737</u>	<u>(98,010)</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

KENWICK PARK HOTEL LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

Reconciliation of net cash flow to movement in net debt

	Note	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Increase/(decrease) in cash		256,736	(98,010)
Cash outflow from repayment of loans		140,650	147,141
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>(37,732)</u>	<u>9,868</u>
Change in net debt resulting from cash flows	18	<u>359,654</u>	<u>58,999</u>
 Movement in net debt	18	 359,654	 58,999
Net debt at start of period	18	<u>(3,028,553)</u>	<u>(3,087,552)</u>
Net debt at end of period	18	<u>(2,668,899)</u>	<u>(3,028,553)</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 29 March 2014.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £444,188 (2013 - £178,689).

Going concern

The directors have prepared projected cash flow information, for both the parent and subsidiary companies, for the period ending 12 months from the date of their approval of these financial statements. On the basis of this cash flow information the directors consider it appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	No depreciation
Fixtures fittings and equipment	3 years straight line on computers and IT, 10%/12.5%/33.3% straight line on other assets in the class
Motor vehicles	3 years straight line

Freehold Land and Buildings

No depreciation is provided on the freehold properties. It is company's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the directors consider that the lives of these assets are so long and residual values so high that their depreciation is insignificant.

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

Investment properties

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards to the group's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Revaluation of property

Freehold land and buildings have been revalued in accordance with FRS 15 with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is changed (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such surplus.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of certain timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Operating Leases

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

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... **CONTINUED**

Hire purchase and leasing

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

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 group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution scheme for the benefit of its directors. Contributions payable are charged to the profit and loss account in the year they are payable.

2 Operating profit

Operating profit is stated after charging:

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Profit on sale of tangible fixed assets	-	(14,287)
Depreciation of owned assets	76,915	101,672
Auditor's remuneration	12,938	11,183

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

3 Auditor's remuneration

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Audit of the financial statements	<u>12,938</u>	<u>11,183</u>

£12,338 (2013 - £10,265) of the fee for auditing the financial statements relates to the company.

4 Particulars of employees

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows:

	31 March 2013 to 29 March 2014 No.	1 April 2012 to 30 March 2013 No.
Administration and support	5	5
Production	<u>91</u>	<u>89</u>
	<u>96</u>	<u>94</u>

The aggregate payroll costs were as follows:

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Wages and salaries	<u>1,136,153</u>	<u>1,060,035</u>

5 Directors' remuneration

The directors' remuneration for the period was as follows:

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Remuneration (including benefits in kind)	<u>56,512</u>	<u>53,202</u>

KENWICK PARK HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31
MARCH 2013 TO 29 MARCH 2014****..... CONTINUED****6 Interest payable and similar charges**

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Interest on other loans	63,971	70,766
Other interest payable	4,502	4,817
Finance charges	3,531	1,740
Group interest payable and similar charges	<u>72,004</u>	<u>77,323</u>

7 Taxation**Tax on profit on ordinary activities**

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Current tax		
Corporation tax charge	19,182	-
Deferred tax		
Origination and reversal of timing differences	-	34,145
Total tax on profit on ordinary activities	<u>19,182</u>	<u>34,145</u>

Factors affecting current tax charge for the period

Tax on profit on ordinary activities for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 20% (2013 - 20%).

The differences are reconciled below:

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Profit on ordinary activities before taxation	<u>387,042</u>	<u>195,761</u>
Corporation tax at standard rate	77,408	39,152
Capital allowances in excess of depreciation	(631)	11,134
Losses utilised	(60,372)	(51,172)
Other differences	2,777	886
Total current tax	<u>19,182</u>	<u>-</u>

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... **CONTINUED**

Factors that may affect future tax charges

The parent company has estimated losses of £1,025,501 (2013: £1,327,365) available for carry forward against future trading profits. Deferred tax has been provided on these losses to the extent they cover capital allowances in excess of depreciation only. Credit is not taken for any other tax losses.

8 Tangible fixed assets

Group

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 31 March 2013	4,524,721	692,158	5,000	5,221,879
Revaluation	219,032	-	-	219,032
Additions	891	73,779	17,912	92,582
Disposals	-	(17,067)	-	(17,067)
At 29 March 2014	4,744,644	748,870	22,912	5,516,426
Depreciation				
At 31 March 2013	3,254	434,339	5,000	442,593
Charge for the period	-	76,242	672	76,914
Eliminated on disposals	-	(17,067)	-	(17,067)
Writeback to recoverable amount	(3,254)	-	-	(3,254)
At 29 March 2014	-	493,514	5,672	499,186
Net book value				
At 29 March 2014	4,744,644	255,356	17,240	5,017,240
At 30 March 2013	4,521,467	257,819	-	4,779,286

Leased assets

Included within the net book value of tangible fixed assets is £51,526 (2013 - £8,881) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £6,479 (2013 - £9,965).

Revaluations

The freehold land and buildings class of fixed assets was revalued on 11 September 2014 by Taylors Surveyors & Valuers who is external to the company. The basis of this valuation was as a fully equipped operational entity having regard to trading potential. This class of assets has a current value of £4,744,644 (2013 - £4,444,180).

The last full valuation of freehold land and buildings was carried out on 11 September 2014.

KENWICK PARK HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31
MARCH 2013 TO 29 MARCH 2014****..... CONTINUED****Company**

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 31 March 2013	4,524,721	692,158	5,000	5,221,879
Revaluation	219,032	-	-	219,032
Additions	891	73,779	17,912	92,582
Disposals	-	(17,067)	-	(17,067)
At 29 March 2014	<u>4,744,644</u>	<u>748,870</u>	<u>22,912</u>	<u>5,516,426</u>
Depreciation				
At 31 March 2013	3,254	434,339	5,000	442,593
Charge for the period	-	76,242	672	76,914
Eliminated on disposals	-	(17,067)	-	(17,067)
Writeback to recoverable amount	(3,254)	-	-	(3,254)
At 29 March 2014	<u>-</u>	<u>493,514</u>	<u>5,672</u>	<u>499,186</u>
Net book value				
At 29 March 2014	<u>4,744,644</u>	<u>255,356</u>	<u>17,240</u>	<u>5,017,240</u>
At 30 March 2013	<u>4,521,467</u>	<u>257,819</u>	<u>-</u>	<u>4,779,286</u>

Leased assets

Included within the net book value of tangible fixed assets is £51,526 (2013 - £8,881) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £6,479 (2013 - £9,965).

Revaluations

The freehold land and buildings class of fixed assets was revalued on 11 September 2014 by Taylors Surveyors & Valuers who is external to the company. The basis of this valuation was as a fully equipped operational entity having regard to trading potential. This class of assets has a current value of £4,744,644 (2013 - £4,444,180).

The last full valuation of the freehold land and buildings was carried out on 11 September 2014.

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

9 Investments held as fixed assets

Group

Other investments

	Unlisted investments £	Total £
Cost		
At 31 March 2013	157,599	157,599
At 29 March 2014	157,599	157,599
Net book value		
At 29 March 2014	157,599	157,599

Company

	29 March 2014 £	30 March 2013 £
Other investments	158,599	158,599

Other investments

	Unlisted investments £	Total £
Cost		
At 31 March 2013	158,599	158,599
At 29 March 2014	158,599	158,599
Net book value		
At 29 March 2014	158,599	158,599
At 30 March 2013	158,599	158,599

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Kenwick Property Sales Limited	Ordinary	100%	Property investment

The capital and reserves for the period ended 29 March 2014 is in deficit of £3,772. The loss for the period was £7,146.

10 Stocks

	Group		Company	
	29 March 2014	30 March 2013	29 March 2014	30 March 2013
	£	£	£	£
Finished goods	<u>27,635</u>	<u>28,118</u>	<u>27,635</u>	<u>28,118</u>

11 Debtors

	Group		Company	
	29 March 2014	30 March 2013	29 March 2014	30 March 2013
	£	£	£	£
Trade debtors	198,319	124,269	198,319	124,269
Other debtors	143,311	121,722	138,547	116,958
Directors' current accounts	554,188	467,830	554,188	467,830
Prepayments and accrued income	<u>113,629</u>	<u>109,934</u>	<u>113,629</u>	<u>109,636</u>
	<u>1,009,447</u>	<u>823,755</u>	<u>1,004,683</u>	<u>818,693</u>

KENWICK PARK HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31
MARCH 2013 TO 29 MARCH 2014****..... CONTINUED****12 Creditors: Amounts falling due within one year**

	Group		Company	
	29 March 2014 £	30 March 2013 £	29 March 2014 £	30 March 2013 £
Trade creditors	179,522	185,788	179,522	185,788
Bank loans and overdrafts	140,700	133,700	129,200	122,200
Obligations under finance lease and hire purchase contracts	15,233	8,776	15,233	8,776
Corporation tax	40,771	19,335	40,771	19,335
Other taxes and social security	135,246	118,927	135,246	118,927
Other creditors	53,752	67,834	55,000	70,000
Accruals and deferred income	747,312	646,472	746,343	645,149
	<u>1,312,536</u>	<u>1,180,832</u>	<u>1,301,315</u>	<u>1,170,175</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the group/company:

Group

	29 March 2014 £	30 March 2013 £
Bank loans and overdrafts	<u>140,700</u>	<u>133,700</u>

13 Creditors: Amounts falling due after more than one year

	Group		Company	
	29 March 2014 £	30 March 2013 £	29 March 2014 £	30 March 2013 £
Bank loans and overdrafts	2,817,788	2,965,438	2,686,376	2,822,288
Obligations under finance lease and hire purchase contracts	31,525	250	31,525	250
Other creditors	91,985	17,561	226,040	219,537
	<u>2,941,298</u>	<u>2,983,249</u>	<u>2,943,941</u>	<u>3,042,075</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the group/company:

KENWICK PARK HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014****..... CONTINUED****Group**

	29 March 2014 £	30 March 2013 £
Bank loans and overdrafts	2,817,788	2,965,438
Obligations under finance leases and hire purchase contracts	31,525	250
	<u>2,849,313</u>	<u>2,965,688</u>

The payment terms for the Santander loan is as follows:

The loan is repayable over 25 years ending in March 2034.

The loans are structured in that capital is repaid in monthly installments calculated to repay the facility at the expiry of the facility period with the first three years being an interest only period. Interest is charged at a rate of 1.75% above LIBOR and is payable by monthly installments in arrears. The bank loans are secured over the whole assets and undertakings of the company.

The payment terms for the Coop loan is as follows:

The loan is repayable over 15 years ending in June 2024.

The loans are structured in that capital is repaid in monthly installments calculated to repay the facility at the expiry of the facility period. Interest is charged at a rate of 2.5% above base rate and is payable by monthly installments in arrears. The director has given a personal guarantee of £196,000 in respect of The Coop bank Limited bank loan.

	Group		Company	
	29 March 2014 £	30 March 2013 £	29 March 2014 £	30 March 2013 £
After more than five years by instalments	<u>2,301,138</u>	<u>2,462,588</u>	<u>2,215,726</u>	<u>2,365,438</u>

Obligations under finance leases and HP contracts**Amounts repayable:**

	Group		Company	
	29 March 2014 £	30 March 2013 £	29 March 2014 £	30 March 2013 £
In one year or less on demand	15,233	8,776	15,233	8,776
Between one and two years	<u>31,525</u>	<u>250</u>	<u>31,525</u>	<u>250</u>
	<u>46,758</u>	<u>9,026</u>	<u>46,758</u>	<u>9,026</u>

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... **CONTINUED**

14 Share capital

Allotted, called up and fully paid shares

	29 March 2014		30 March 2013	
	No.	£	No.	£
Ordinary of £1 each	2,350	2,350	2,350	2,350
Non voting ordinary of £1 each	150	150	150	150
Deferred of £1 each	448,500	448,500	448,500	448,500
	<u>451,000</u>	<u>451,000</u>	<u>451,000</u>	<u>451,000</u>

15 Reserves

Group

	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 31 March 2013	25,000	1,899,218	(670,930)	1,253,288
Profit for the period	-	-	367,860	367,860
Surplus on property revaluation	-	222,286	-	222,286
At 29 March 2014	<u>25,000</u>	<u>2,121,504</u>	<u>(303,070)</u>	<u>1,843,434</u>

Company

	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 31 March 2013	25,000	1,899,218	(723,304)	1,200,914
Profit for the period	-	-	425,006	425,006
Surplus on property revaluation	-	222,286	-	222,286
At 29 March 2014	<u>25,000</u>	<u>2,121,504</u>	<u>(298,298)</u>	<u>1,848,206</u>

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... **CONTINUED**

16 Reconciliation of movement in shareholders' funds

Group

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Profit attributable to the members of the group	367,860	161,616
Other recognised gains and losses relating to the period	222,286	(39,839)
Net addition to shareholders' funds	590,146	121,777
Shareholders' funds at start of period	1,704,288	1,582,511
Shareholders' funds at end of period	2,294,434	1,704,288

Company

	31 March 2013 to 29 March 2014 £	1 April 2012 to 30 March 2013 £
Profit attributable to the members of the company	425,006	178,689
Other recognised gains and losses relating to the period	222,286	-
Net addition to shareholders' funds	647,292	178,689
Shareholders' funds at start of period	1,651,914	1,473,225
Shareholders' funds at end of period	2,299,206	1,651,914

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... **CONTINUED**

17 Commitments

Operating lease commitments

Group

As at 29 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	29 March 2014 £	30 March 2013 £
Other		
Within one year	929	1,860
Within two and five years	5,969	5,969
Over five years	7,800	-
	<u>14,698</u>	<u>7,829</u>

18 Analysis of net debt

	At 31 March 2013 £	Cash flow £	At 29 March 2014 £
Cash at bank and in hand	79,611	256,736	336,347
Debt due within one year	(133,700)	(7,000)	(140,700)
Debt due after more than one year	(2,965,438)	147,650	(2,817,788)
Finance leases and hire purchase contracts	(9,026)	(37,732)	(46,758)
Net debt	<u>(3,028,553)</u>	<u>359,654</u>	<u>(2,668,899)</u>

19 Post balance sheet events

In October 2014 the Health and Leisure Club was destroyed by fire. Both the property and trade were properly insured therefore the financial impact will be minimal.

KENWICK PARK HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 31 MARCH 2013 TO 29 MARCH 2014

..... CONTINUED

20 Related party transactions

Directors' advances and credits

	31 March 2013 to 29 March 2014 Advance/ Credit £	31 March 2013 to 29 March 2014 Repaid £	1 April 2012 to 30 March 2013 Advance/ Credit £	1 April 2012 to 30 March 2013 Repaid £
Mr S D Flynn				
Directors current account	86,358	-	93,552	16,211

Other related party transactions

During the period the company made the following related party transactions:

Kenwick Woods Limited

(S D Flynn is majority shareholder)

During the year Kenwick Woods Limited had costs recharged of £36,974 from Kenwick Park Hotel Limited. At the balance sheet date the amount due to Kenwick Woods Limited was £85,594 (2013 - £37,106).

Kenwick Leisure 1995 Retirement Benefit Scheme

(S D Flynn is member)

At the balance sheet date the amount due to Kenwick Leisure 1995 Retirement Benefit Scheme was £24,850 (2013 - £39,050).

Kenwick Estates Limited

(S D Flynn is majority shareholder)

During the year Kenwick Estates Limited had costs recharged of £25,229 from Kenwick Park Hotel Limited. At the balance sheet date the amount due to Kenwick Estates Limited was £51,391 (2013 - £40,455).

S D Flynn

(Director)

The director has given a personal guarantee of £196,000 in respect of the Coop bank loan in Kenwick Property Sales Limited. At the balance sheet date the amount due from S D Flynn was £554,188 (2013 - £467,830).

Kenwick Health & Leisure Club Limited

(a company which was part of the group during the year, but remained dormant.)

At the balance sheet date the amount due to Kenwick Health & Leisure Club Limited was £nil (2013 - £nil).

Kenwick Property Sales Limited

(a company which is part of the group)

During the year Kenwick Property Sales Limited received no rent income (2013: £7,480) and had costs recharged of £7,286 (2013: £3,759) from/to Kenwick Park Hotel Limited. At the balance sheet date the amount due to Kenwick Property Sales Limited was £144,055 (2013 - £211,976).

21 Control

The company is controlled by the directors who own 100% of the called up share capital.