

COMPANY REGISTRATION NUMBER 04062038

SAXON HOTELS LIMITED
ABBREVIATED ACCOUNTS
31 MARCH 2011



HEBBLETHWAITES
Chartered Accountants & Statutory Auditor
2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

SAXON HOTELS LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

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SAXON HOTELS LIMITED
INDEPENDENT AUDITOR'S REPORT TO SAXON HOTELS LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Saxon Hotels Limited for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 23 September 2011 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph:

EMPHASIS OF MATTER.

We draw attention to Note 1 to the financial statements which relates to the continued use of the going concern basis. Our opinion is not qualified in respect of this matter.

2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

23 September 2011

ANDREW THROSSELL (Senior
Statutory Auditor)
For and on behalf of
HEBBLETHWAITES
Chartered Accountants
& Statutory Auditor

SAXON HOTELS LIMITED
ABBREVIATED BALANCE SHEET

31 MARCH 2011

	Note	2011 £	2010 £
FIXED ASSETS	2		
Tangible assets		<u>3,671,171</u>	<u>3,714,617</u>
CURRENT ASSETS			
Stocks		27,239	20,418
Debtors		85,112	68,402
Cash at bank and in hand		<u>13,490</u>	<u>47,287</u>
		125,841	136,107
CREDITORS: Amounts falling due within one year	3	<u>1,421,480</u>	<u>1,423,145</u>
NET CURRENT LIABILITIES		(1,295,639)	(1,287,038)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,375,532	2,427,579
CREDITORS: Amounts falling due after more than one year	4	<u>3,563,056</u>	<u>3,698,473</u>
		<u>(1,187,524)</u>	<u>(1,270,894)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	340,100	340,100
Revaluation reserve		15,093	15,093
Profit and loss account		<u>(1,542,717)</u>	<u>(1,626,087)</u>
DEFICIT		<u>(1,187,524)</u>	<u>(1,270,894)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on

22 September 2011

MR J STEVEN

Company Registration Number 04062038

The notes on pages 3 to 5 form part of these abbreviated accounts

SAXON HOTELS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

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

Plant & Equipment	-	15 years straight line
Furniture, Fixtures & Fittings		- 7 years straight line
Computer Equipment	-	3 years straight line

Depreciation is not provided on freehold buildings as the value in use of the property concerned and the anticipated long expected useful life, coupled with high expected residual value, mean that any depreciation charge would not be material

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 either 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

SAXON HOTELS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES *(continued)*

Going concern

The financial statements have been prepared on a going concern basis

Whilst the company has recorded a profit for the year, at the period end date, the balance sheet reflects net current, and net total, liabilities

The redevelopment works undertaken on the hotel, restaurant and function facilities in recent years are now assisting in enhancing the revenue earning capacity of the business and this growth is expected to continue for the foreseeable future

The company's ability to generate profits and, to a greater extent, cash surpluses, will enable a gradual reduction in borrowings and a further improvement in profitability

The company continues to enjoy the support of its' bankers and its' holding company

The director is confident of the company's ability to generate sustainable long term profits and considers, therefore, that the going concern basis remains appropriate

The director has no reason to doubt the continued support of the company's financiers, and the ongoing provision of loan finance from the holding company which has been further enhanced, after the year end, to allow for a further reduction in the level of bank borrowing

2. FIXED ASSETS

	Tangible Assets £
COST OR VALUATION	
At 1 April 2010	4,085,904
Additions	41,132
At 31 March 2011	<u>4,127,036</u>
DEPRECIATION	
At 1 April 2010	371,287
Charge for year	84,578
At 31 March 2011	<u>455,865</u>
NET BOOK VALUE	
At 31 March 2011	<u>3,671,171</u>
At 31 March 2010	<u>3,714,617</u>

During recent years, the company's freehold property was subject to major redevelopment works

As the major works have now been completed, consideration has been given to the question of depreciation on the property Depreciation has not been provided as the value in use of the property concerned and the anticipated long expected useful life, coupled with high expected residual value, mean that any depreciation charge would not be material

SAXON HOTELS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2011

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	<u>1,040,827</u>	<u>1,007,028</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	<u>2,864,583</u>	<u>3,000,000</u>

Included within creditors falling due after more than one year is an amount of £2,364,583 (2010 - £2,489,583) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

5. SHARE CAPITAL

Authorised share capital:

	2011 £	2010 £
340,100 Ordinary shares of £1 each	<u>340,100</u>	<u>340,100</u>

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
340,100 Ordinary shares of £1 each	<u>340,100</u>	<u>340,100</u>	<u>340,100</u>	<u>340,100</u>

6. ULTIMATE PARENT COMPANY

The ultimate parent company is Vine Leisure Limited, a company incorporated in England and Wales. Vine Leisure Limited is ultimately controlled by Mr G Dyke.