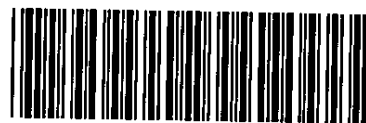


COMPANY REGISTRATION NUMBER 04062038

**SAXON HOTELS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**31 MARCH 2013**

THURSDAY



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COMPANIES HOUSE

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

**SAXON HOTELS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

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**SAXON HOTELS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

Mr J Steven (Resigned 23 May 2012)  
Mr G Dyke (Appointed 21 May 2012)  
Mr P C Brown (Appointed 29 August 2012)

**Registered office**

Mosborough Hall  
High Street  
Mosborough  
Sheffield  
S20 5EA

**Auditor**

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

# **SAXON HOTELS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 MARCH 2013**

The directors present their report and the financial statements of the company for the year ended 31 March 2013

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the period was that of a hotelier and restaurateur

The directors are pleased to report that the company has recorded a net profit for the year, thus reversing the relatively small loss suffered in the prior year

The trading prospects for the company remain positive and the directors are confident that this return to profitability can be sustained, thus realising the investment undertaken in recent years. Further growth and development is anticipated for the foreseeable future

#### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £148,318. The directors have not recommended a dividend

#### **FINANCIAL INSTRUMENTS**

Details of the company's financial risk management objectives and policies are included in note 12 to the accounts

#### **DIRECTORS**

The directors who served the company during the year were as follows

Mr J Steven  
Mr G Dyke  
Mr P C Brown

Mr G Dyke was appointed as a director on 21 May 2012

Mr P C Brown was appointed as a director on 29 August 2012

Mr J Steven resigned as a director on 23 May 2012

#### **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 company and of the profit or loss of the company for that year.

In preparing those 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

# **SAXON HOTELS LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

### **YEAR ENDED 31 MARCH 2013**

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.

In so far as the directors are aware.

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **AUDITOR**

Hebblethwaites are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



P Brown

Director

Approved by the directors on 21/6/13

**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 7 to 18, together with the financial statements of Saxon Hotels Limited for the year ended 31 March 2013 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 DIRECTORS AND AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 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 445(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 1 July 2013 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 396 of the Companies Act 2006 for the year ended 31 March 2013, and the full text of the company audit report is reproduced on pages 5 to 6 of these financial statements.

2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

1 July 2013

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

# **SAXON HOTELS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SAXON HOTELS LIMITED**

**YEAR ENDED 31 MARCH 2013**

We have audited the financial statements of Saxon Hotels Limited for the year ended 31 March 2013 on pages 6 to 17. 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 shareholders, 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 shareholders 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 shareholders 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 Directors' Responsibilities Statement set out on pages 2 to 3, 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 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 annual report to identify material inconsistencies with the audited financial statements. 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 company's affairs as at 31 March 2013 and of its profit 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.

### **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.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

## **SAXON HOTELS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SAXON HOTELS LIMITED *(continued)***

**YEAR ENDED 31 MARCH 2013**

#### **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, 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

2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

1 July 2013

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

**SAXON HOTELS LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
<b>TURNOVER</b>		<b>1,876,834</b>	<b>1,693,582</b>
Cost of Sales and Other operating income		<b>955,610</b>	957,974
Administrative expenses		<u>694,847</u>	<u>664,096</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>226,377</b>	71,512
Interest payable and similar charges	<b>5</b>	<b>78,059</b>	89,411
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>148,318</b></u>	<u>(17,899)</u>
Tax on profit/(loss) on ordinary activities		—	—
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u><b>148,318</b></u>	<u>(17,899)</u>
Balance brought forward		<u>(1,560,616)</u>	<u>(1,542,717)</u>
Balance carried forward		<u><b>(1,412,298)</b></u>	<u>(1,560,616)</u>

All of the activities of the company are classed as continuing

The notes on pages 11 to 18 form part of these abbreviated accounts

## **SAXON HOTELS LIMITED**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Profit/(Loss) for the financial year	<b>148,318</b>	<b>(17,899)</b>
Opening shareholders' equity deficit	<b><u>(1,205,423)</u></b>	<b><u>(1,187,524)</u></b>
Closing shareholders' equity deficit	<b><u>(1,057,105)</u></b>	<b><u>(1,205,423)</u></b>

The notes on pages 11 to 18 form part of these abbreviated accounts

**SAXON HOTELS LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 MARCH 2013**

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	6	<u>3,620,629</u>	<u>3,641,514</u>
<b>CURRENT ASSETS</b>			
Stocks	7	25,902	25,925
Debtors	8	102,172	104,181
Cash in hand		<u>28,957</u>	<u>10,568</u>
		157,031	140,674
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>1,001,709</u>	<u>1,049,555</u>
<b>NET CURRENT LIABILITIES</b>		<u>(844,678)</u>	<u>(908,881)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,775,951</u>	<u>2,732,633</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	10	<u>3,833,056</u>	<u>3,938,056</u>
		<u>(1,057,105)</u>	<u>(1,205,423)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	14	340,100	340,100
Revaluation reserve	15	15,093	15,093
Profit and loss account		<u>(1,412,298)</u>	<u>(1,560,616)</u>
<b>DEFICIT</b>		<u>(1,057,105)</u>	<u>(1,205,423)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on **21 June 2013**, and are signed on their behalf by

  
MR G DYKE

  
MR P C BROWN

Company Registration Number 04062038

The notes on pages 11 to 18 form part of these abbreviated accounts.

**SAXON HOTELS LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>16</b>	<b>280,867</b>	242,528
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>16</b>	<b>(91,912)</b>	(99,927)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>16</b>	<b>(43,447)</b>	(48,960)
<b>CASH INFLOW BEFORE FINANCING</b>		<b>145,508</b>	93,641
<b>FINANCING</b>	<b>16</b>	<b>(105,000)</b>	364,583
<b>INCREASE IN CASH</b>	<b>16</b>	<b>40,508</b>	458,224

The notes on pages 11 to 18 form part of these abbreviated accounts

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments

**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

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**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 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Going concern**

The financial statements have been prepared on a going concern basis

The company has recorded a profit for the year. However, as a result of earlier year losses, 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 earlier 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 profit for the year ended 31 March 2013 is an indicator of the potential for the company

The company's forecasts reflect future profits and, to a greater extent, cash surpluses, which 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 directors are confident of the company's ability to generate sustainable long term profits and consider, therefore, that the going concern basis remains appropriate

The directors have no reason to doubt the continued support of the company's financiers, and the ongoing provision of loan finance from the holding company.

**2. OPERATING PROFIT**

Operating profit is stated after charging

	<b>2013</b>	2012
	<b>£</b>	£
Depreciation of owned fixed assets	<b>64,332</b>	77,870
Loss on disposal of fixed assets	–	747
Auditor's remuneration		
- as auditor	<b>3,900</b>	3,900
Operating lease costs.		
- Other	<b>677</b>	–
	<u>          </u>	<u>          </u>

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2013</b>	2012
	No	No
Number of direct staff	<b>48</b>	49
Number of administrative staff	<b>12</b>	12
Number of management staff	<b>6</b>	6
	<u><b>66</b></u>	<u>67</u>

The aggregate payroll costs of the above were

	<b>2013</b>	2012
	£	£
Wages and salaries	<b>644,994</b>	640,281
Social security costs	<b>34,387</b>	30,132
	<u><b>679,381</b></u>	<u>670,413</u>

**4. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2013</b>	2012
	£	£
Remuneration receivable	<b>23,933</b>	6,000

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2013</b>	2012
	£	£
Other similar charges payable	<b>78,059</b>	89,411

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**6. TANGIBLE FIXED ASSETS**

	Freehold Property £	Equipment £	Furniture, Fixtures and Fittings £	Computer Equipment £	Total £
<b>COST OR VALUATION</b>					
At 1 April 2012	3,324,250	301,925	356,641	43,541	4,026,357
Additions	26,979	3,884	11,506	1,078	43,447
<b>At 31 March 2013</b>	<b><u>3,351,229</u></b>	<b><u>305,809</u></b>	<b><u>368,147</u></b>	<b><u>44,619</u></b>	<b><u>4,069,804</u></b>
<b>DEPRECIATION</b>					
At 1 April 2012	—	112,085	233,466	39,292	384,843
Charge for the year	—	20,309	41,928	2,095	64,332
<b>At 31 March 2013</b>	<b><u>—</u></b>	<b><u>132,394</u></b>	<b><u>275,394</u></b>	<b><u>41,387</u></b>	<b><u>449,175</u></b>
<b>NET BOOK VALUE</b>					
<b>At 31 March 2013</b>	<b><u>3,351,229</u></b>	<b><u>173,415</u></b>	<b><u>92,753</u></b>	<b><u>3,232</u></b>	<b><u>3,620,629</u></b>
At 31 March 2012	<u>3,324,250</u>	<u>189,840</u>	<u>123,175</u>	<u>4,249</u>	<u>3,641,514</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

**7. STOCKS**

	2013 £	2012 £
Stock	<u>25,902</u>	<u>25,925</u>

**8. DEBTORS**

	2013 £	2012 £
Trade debtors	75,398	39,141
Other debtors	19,136	15,010
Prepayments and accrued income	7,638	50,030
	<u>102,172</u>	<u>104,181</u>

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**9. CREDITORS: Amounts falling due within one year**

	2013 £	2012 £
Bank loans and overdrafts	547,145	569,264
Trade creditors	82,955	144,082
Other creditors including taxation and social security		
PAYE and social security	10,266	10,323
VAT	67,748	59,290
Other creditors	266,405	246,342
	<u>974,519</u>	<u>1,029,301</u>
Accruals and deferred income	27,190	20,254
	<u>1,001,709</u>	<u>1,049,555</u>

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

	2013 £	2012 £
Bank loans and overdrafts	<u>547,145</u>	<u>569,264</u>

**10. CREDITORS: Amounts falling due after more than one year**

	2013 £	2012 £
Bank loans and overdrafts	2,614,583	2,739,583
Amounts owed to group undertakings	1,198,473	1,198,473
Other creditors		
Directors' loan accounts	20,000	—
	<u>3,833,056</u>	<u>3,938,056</u>

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

	2013 £	2012 £
Bank loans and overdrafts	<u>2,614,583</u>	<u>2,739,583</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	2013 £	2012 £
Bank loans and overdrafts	<u>—</u>	<u>2,239,583</u>

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**11. DEFERRED TAXATION**

The elements of deferred taxation, which result in a nil balance at the end of the year are as follows.

	2013 £	2012 £
Excess of taxation allowances over depreciation on fixed assets	35,138	-
Tax losses available	<u>(35,138)</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The company has unrelieved trading losses to carry forward of £1,374,923 (2012 £1,550,945) Although it is anticipated that such losses will be utilised against future trading profits of the company, the inherent uncertainty of future profits and the timing thereof means this deferred tax asset has not been recognised in the balance sheet

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the company

**13. TRANSACTIONS WITH INTERESTS OF THE DIRECTORS**

A loan account exists as between the company and one of the directors, Mr G Dyke During the year, the director advanced, by way of loan, £20,000 This balance remains outstanding at the year end with no formal terms for repayment Interest is not being charged on the loan

**14. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	2013		2012	
	No	£	No	£
340,100 Ordinary shares of £1 each	<u>340,100</u>	<u>340,100</u>	<u>340,100</u>	<u>340,100</u>

**15. RESERVES**

	Revaluation reserve £	Profit and loss account £
Balance brought forward	15,093	(1,560,616)
Profit for the year	<u>-</u>	<u>148,318</u>
Balance carried forward	<u>15,093</u>	<u>(1,412,298)</u>

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**16. NOTES TO THE CASH FLOW STATEMENT**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating profit	226,377	71,512
Interest payable	13,853	10,516
Depreciation	64,332	77,870
Loss on disposal of fixed assets	—	747
Decrease in stocks	23	1,314
Decrease/(increase) in debtors	2,009	(19,069)
(Decrease)/increase in creditors	<u>(25,727)</u>	<u>99,638</u>
Net cash inflow from operating activities	<u>280,867</u>	<u>242,528</u>

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	2013 £	2012 £
Interest paid	<u>(91,912)</u>	<u>(99,927)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(91,912)</u>	<u>(99,927)</u>

**CAPITAL EXPENDITURE**

	2013 £	2012 £
Payments to acquire tangible fixed assets	(43,447)	(48,961)
Receipts from sale of fixed assets	—	1
Net cash outflow from capital expenditure	<u>(43,447)</u>	<u>(48,960)</u>

**FINANCING**

	2013 £	2012 £
Repayment of bank loans	(125,000)	(135,417)
Repayment of long-term amounts owed to group undertakings	—	500,000
Repayment of directors' long-term loans	20,000	—
Net cash (outflow)/inflow from financing	<u>(105,000)</u>	<u>364,583</u>

**SAXON HOTELS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 MARCH 2013**

**16. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2013 £	2012 £
Increase in cash in the period	40,508	458,224
Net cash outflow from bank loans	125,000	135,417
Net cash (inflow) from long-term amounts owed to group undertakings	–	(500,000)
Cash (inflow) from directors' long-term loans	<u>(20,000)</u>	<u>–</u>
	<b>145,508</b>	<b>93,641</b>
Change in net debt	<b>145,508</b>	<b>93,641</b>
Net debt at 1 April 2012	<u>(4,496,752)</u>	<u>(4,590,393)</u>
Net debt at 31 March 2013	<u><b>(4,351,244)</b></u>	<u><b>(4,496,752)</b></u>

**ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Apr 2012 £	Cash flows £	At 31 Mar 2013 £
Net cash			
Cash in hand and at bank	10,568	18,389	28,957
Overdrafts	<u>(444,264)</u>	<u>22,119</u>	<u>(422,145)</u>
	<u>(433,696)</u>	<u>40,508</u>	<u>(393,188)</u>
Debt			
Debt due within 1 year	(125,000)	–	(125,000)
Debt due after 1 year	<u>(3,938,056)</u>	<u>105,000</u>	<u>(3,833,056)</u>
	<u>(4,063,056)</u>	<u>105,000</u>	<u>(3,958,056)</u>
Net debt	<u><b>(4,496,752)</b></u>	<u><b>145,508</b></u>	<u><b>(4,351,244)</b></u>

**17. 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.