

# St Christopher's Inns Limited

## FINANCIAL STATEMENTS

for the year ended

29 March 2014



Company Registration No. 04707338

# St Christopher's Inns Limited

## COMPANY INFORMATION

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DIRECTORS	Mr K C Knowles Mr T R Sykes Mr M C Roberts
SECRETARY	Mr T R Sykes
COMPANY NUMBER	04707338
REGISTERED OFFICE	Overlord House 1D Colet Gardens Hammersmith London England W14 9DH
AUDITOR	Baker Tilly UK Audit LLP 25 Farringdon Street London EC4A 4AB
BUSINESS ADDRESS	Overlord House 1D Colet Gardens Hammersmith London England W14 9DH

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# St Christopher's Inns Limited

## DIRECTORS' REPORT

For the year ended 29 March 2014

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The directors present their report and financial statements for the year ended 29 March 2014.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of letting freehold properties to group companies for use as licensed public houses with ancillary budget accommodation.

### DIRECTORS

The following directors have held office since 31 March 2013:

Mr K C Knowles

Mr T R Sykes

Mr M C Roberts

### AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

### STATEMENT OF DISCLOSURE TO THE AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr T R Sykes

DIRECTOR

22/12/14

# St Christopher's Inns Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CHRISTOPHER'S INNS LIMITED

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We have audited the financial statements set out on pages 4 to 13. 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 auditors' 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 more fully explained in the Directors' Responsibilities Statement set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 29 March 2014 and 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.

### OPINION ON OTHER MATTER 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.

### 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.



PAUL NEWMAN (SENIOR STATUTORY AUDITOR)  
FOR AND ON BEHALF OF BAKER TILLY UK AUDIT LLP, STATUTORY AUDITOR  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

23/12/14  
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# St Christopher's Inns Limited

## PROFIT AND LOSS ACCOUNT

For the year ended 29 March 2014

	Notes	2014 £	2013 £
TURNOVER		915,500	834,604
Other operating expenses (net)	1	(681,310)	(607,685)
OPERATING PROFIT		234,190	226,919
Interest payable and similar charges		(291,137)	(307,409)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(56,947)	(80,490)
Taxation	3	16,909	(19,051)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	10	(40,038)	(99,541)

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# St Christopher's Inns Limited

## BALANCE SHEET

As at 29 March 2014

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	4	15,527,420	15,625,320
<b>CURRENT ASSETS</b>			
Debtors	5	870,416	302,363
Cash at bank and in hand		350,676	19,954
		<u>1,221,092</u>	<u>322,317</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	6	(1,606,506)	(1,128,162)
<b>NET CURRENT LIABILITIES</b>		<u>(385,414)</u>	<u>(805,845)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		15,142,006	14,819,475
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	7	(11,712,603)	(11,333,125)
<b>PROVISIONS FOR LIABILITIES</b>	8	(2,142)	(19,051)
<b>NET ASSETS</b>		<u>3,427,261</u>	<u>3,467,299</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1	1
Revaluation reserve	10	3,501,192	3,523,129
Profit and loss account	10	(73,932)	(55,831)
<b>SHAREHOLDERS' FUNDS</b>	11	<u>3,427,261</u>	<u>3,467,299</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 4 to 13 were approved by the board of directors and authorised for issue on 22/12/14 and are signed on its behalf by:

  
 .....  
 Mr T R Sykes  
 DIRECTOR

# St Christopher's Inns Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and leasehold properties.

### GOING CONCERN

The company meets its day to day working capital requirements through loans from Bed & Bars Limited, the parent company, and Interpub Limited, a fellow subsidiary undertaking. The companies give no guarantee that the loans are not expected to be repaid within the next financial year, however, continued support is expected and therefore, the accounts have been prepared on a going concern basis.

### TURNOVER

Turnover represents the rental income from the letting of the company's freehold property and is recognised on a receivable basis.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Freehold buildings are depreciated from the year after revaluation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	50 years
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Freehold properties are revalued in accordance with Financial Reporting Standards 15 ("FRS 15") with a full valuation carried by professionally qualified Chartered Surveyors on an existing use open market value basis, in accordance with the Statement of Assets Valuation Practice No. 4 and the Guidance Notes of the Royal Institution of Chartered Surveyors every five years and an interim valuation is carried out in year three.

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.



**St Christopher's Inns Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 29 March 2014

1	OTHER OPERATING EXPENSES (NET)	2014 £	2013 £
	Administrative expenses	681,310	687,685
	Other operating income	-	(80,000)
		<u>681,310</u>	<u>607,685</u>
2	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2014 £	2013 £
	Loss is stated after charging:		
	Depreciation of tangible assets		
	- Owned assets	97,900	97,900
	Auditor's remuneration	-	5,593
	and after crediting:		
	Operating lease income		
	- Land and buildings	<u>915,500</u>	<u>834,604</u>

The directors did not receive any remuneration during the year.

There is no material difference between the profit stated on the revaluation and historical cost bases.

The fee for the company's audit is incurred by Beds and Bars Limited, the ultimate parent company.

# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

3	TAXATION	2014 £	2013 £
	UK Corporation tax		
	Current tax on loss of the period	-	-
	<b>CURRENT TAX CHARGE</b>	-	-
	<b>DEFERRED TAX</b>		
	Deferred tax (credit)/charge for the year	(16,909)	19,051
	<b>FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR</b>		
	The tax assessed for the year is higher than the standard rate of corporation tax (23%) as explained below:		
	Loss on ordinary activities before taxation	(56,947)	(80,490)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	(13,098)	(19,318)
	Effects of:		
	Differences between capital allowances and depreciation	17,980	19,117
	Unutilised tax losses carried forward	11,716	-
	Utilisation of tax losses and other deductions	(16,598)	(17,319)
	Other tax adjustments	-	17,520
		13,098	19,318
	<b>CURRENT TAX CHARGE</b>	-	-

The company has an unrecognised deferred tax asset of £nil (2013: £16,598) in respect of unutilised property losses carried forward and an unrecognised deferred tax asset of £10,697 (2013: £19,453) in respect of an unutilised non-trade loan relationship deficit.

# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

### 4 TANGIBLE FIXED ASSETS

	Land and buildings £
COST OR VALUATION	
At 31 March 2013 & at 29 March 2014	15,723,220
DEPRECIATION	
At 31 March 2013	97,900
Charge for the year	97,900
At 29 March 2014	195,800
NET BOOK VALUE	
At 29 March 2014	15,527,420
At 30 March 2013	15,625,320

The freehold properties were valued in March 2012 on the basis of an open market valuation for existing use by Christie + Co, Chartered Surveyors, members of RICS.

Deferred tax of £675,267 (2013: £704,626) arising on the revaluation of the land and building. This has not been provided for as there is no intention to sell them in the foreseeable future.

#### COMPARABLE HISTORICAL COST FOR THE LAND AND BUILDINGS INCLUDED AT VALUATION:

	£
COST	
At 31 March 2013 & at 29 March 2014	12,200,091
DEPRECIATION BASED ON COST	
At 31 March 2013	75,963
Charge for the year	75,963
At 29 March 2014	151,926
NET BOOK VALUE	
At 29 March 2014	12,048,165
At 30 March 2013	12,124,128

# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

5	DEBTORS	2014 £	2013 £
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	816,619	278,809
	Other debtors	53,797	23,554
		<u>870,416</u>	<u>302,363</u>
	Amounts falling due after more than one year and included in the debtors above are:		
		2014 £	2013 £
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	90,249
6	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2014 £	2013 £
	Bank loans and overdrafts	565,085	546,193
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,027,515	479,751
	Taxation and social security	-	29,212
	Other creditors	13,906	73,006
		<u>1,606,506</u>	<u>1,128,162</u>

# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2014 £	2013 £
Bank loans	6,529,338	7,099,351
Amounts owed to group undertakings	5,183,265	4,233,774
	<u>11,712,603</u>	<u>11,333,125</u>
 ANALYSIS OF LOANS		
Not wholly repayable within five years by instalments	4,092,083	4,728,527
Wholly repayable within five years	3,002,340	2,917,017
	<u>7,094,423</u>	<u>7,645,544</u>
Included in current liabilities	(565,085)	(546,193)
	<u>6,529,338</u>	<u>7,099,351</u>
 Instalments not due within five years	<u>4,092,083</u>	<u>4,728,527</u>
 LOAN MATURITY ANALYSIS		
In more than one year but not more than two years	581,255	566,223
In more than two years but not more than five years	1,856,000	1,804,601
In more than five years	<u>4,092,083</u>	<u>4,728,527</u>

St Christopher's Inns Limited holds seven bank loans totalling £7,094,423 (2013: £7,645,543) which are detailed below:-

Loan 1 - Secured on 121 Borough High Street. Repayments are being made monthly over 20 years at an interest rate of 1.5% above bank base rate.

Loan 2 - Secured on the Brighton Property. Repayments are being made monthly over 20 years at an interest rate of 1.75% above the bank base rate.

Loan 3 - Secured on the Newquay Property. Repayments are being made monthly over 20 years at an interest rate of 1.5% above the bank base rate.

Loan 4 - Secured on 189 Greenwich High Road. Repayments are being made monthly over 15 years at an interest rate of 3.1% above bank base rate.

Loan 5 - Secured on 28 Hammersmith Broadway. Repayments are being made monthly over 15 years at an interest rate of 3.1% above bank base rate.

Loan 6 - Secured on The Flying Horse property. Repayments are made monthly over 10 years at an interest rate of 3.4% above bank base rate.

Loan 7 - Secured on The Flying Horse property. Repayments are being made monthly over 15 years at an interest rate of 3.4% above bank base rate.

# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

### 8 PROVISIONS FOR LIABILITIES

	Deferred tax liability £
Balance at 31 March 2013	19,051
Profit and loss account	(16,909)
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Balance at 29 March 2014	2,142
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THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS:

	2014 £	2013 £
Accelerated capital allowances	2,142	19,051
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### 9 SHARE CAPITAL

	2014 £	2013 £
ALLOTTED		
1 Ordinary shares of £1 each	1	1
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### 10 RESERVES

	Revaluation reserve £	Profit and loss account £
Balance at 31 March 2013	3,523,129	(55,831)
Loss for the year	-	(40,038)
Transfer from revaluation reserve to profit and loss account	(21,937)	21,937
	<hr/>	<hr/>
Balance at 29 March 2014	3,501,192	(73,932)
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The transfer is due to excess depreciation on revalued fixed assets compared to depreciation on historic cost.

### 11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Loss for the financial year	(40,038)	(99,541)
Opening shareholders' funds	3,467,299	3,566,840
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Closing shareholders' funds	3,427,261	3,467,299
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# St Christopher's Inns Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 29 March 2014

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### 12 CONTINGENT LIABILITIES

During the year ended 1 April 2006 Beds & Bars Limited entered into a cross guarantee agreement to secure a £5,825,019 loan for St Christophers (Amsterdam) BV. St Christophers Inns Limited as a subsidiary of Beds & Bars Limited is therefore party to that agreement.

Beds & Bars Limited has loan financing with Lloyds TSB Bank which is secured on the assets of the group, including those of St Christopher's Inns Limited. In the event that any of the covenants held within this loan are breached, the loan becomes repayable on demand.

### 13 CONTROL

The immediate parent company is St Christopher's Holdings Limited, a company registered in England and Wales.

The ultimate parent company is Beds & Bars Limited, a company registered in England & Wales, and are the smallest and largest group for which consolidated accounts including St Christopher's Inns Limited are prepared.

Beds & Bars Limited prepares group financial statements and copies can be obtained from - 1D Colet Gardens, Hammersmith, London, W14 9DH.

### 14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties of group undertakings.

St Christopher's Inns Limited paid mortgage payments of £39,895 (2012: £443,485) on behalf of St. Christopher's (Orient) Limited, a fellow subsidiary undertaking. At the year end St. Christopher's (Orient) Limited owed St Christopher's Inns Limited £816,619 (2012: £278,809).

### 15 POST BALANCE SHEET EVENTS

In April 2014 the company disposed of the Brighton site, a freehold property mortgaged with HSBC Bank. The net proceeds of £2,265,925 were used to satisfy the outstanding mortgage with HSBC and partially repay Bank of Scotland loans.