

Company Registration No. 05002899 (England and Wales)

SLOANE SQUARE HOTEL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FILLETED ACCOUNTS

SLOANE SQUARE HOTEL LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

SLOANE SQUARE HOTEL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		2,635,937		2,982,707
Current assets					
Stocks		86,117		87,723	
Debtors	5	396,820		494,206	
Cash at bank and in hand		629,124		480,838	
		<u>1,112,061</u>		<u>1,062,767</u>	
Creditors: amounts falling due within one year	6	<u>(1,787,915)</u>		<u>(1,323,257)</u>	
Net current liabilities			(675,854)		(260,490)
Total assets less current liabilities			<u>1,960,083</u>		<u>2,722,217</u>
Creditors: amounts falling due after more than one year	7		(2,728,562)		(3,358,476)
Provisions for liabilities			<u>(114,666)</u>		<u>(98,780)</u>
Net liabilities			<u>(883,145)</u>		<u>(735,039)</u>
Capital and reserves					
Called up share capital			275,000		275,000
Profit and loss reserves			<u>(1,158,145)</u>		<u>(1,010,039)</u>
Total equity			<u>(883,145)</u>		<u>(735,039)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

Sir J Lewis
Director

Company Registration No. 05002899

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Sloane Square Hotel Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7-12 Sloane Square, London, United Kingdom, SW1W 8EG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

After considering current trading, the directors believe that the company will have adequate resources to meet its liabilities as they fall due and so to operate as a going concern for at least twelve months following the date of approval of these financial statements. The directors therefore consider it appropriate to continue to apply the going concern basis for preparing the financial statements.

1.3 Turnover

Turnover represents amounts invoiced during the year for hotel room bookings, as well as income from the brasserie and nightclub. All turnover is net of VAT and trade discounts.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short leasehold property	over 30 years straight-line per annum
Leasehold improvements	over 30 years and 8% straight line per annum
Plant and machinery	6.66% and 10% straight-line per annum
Fixtures and fittings	10% straight-line per annum
Refurbish't and office equipment	20% and 33% straight-line per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and cash in hand, and short-term deposits with an original maturity of three months or less.

1.15 Interest-bearing borrowings

The loan is recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, the capital element of the loan is shown in the Balance Sheet with any interest shown in the Profit and Loss Account.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Judgement is used in estimating depreciation, bad debt provisions, accruals and obsolete stock provisions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	51	56

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2021	4,048,299	3,331,813	7,380,112
Additions	-	14,820	14,820
At 31 December 2021	4,048,299	3,346,633	7,394,932
Depreciation and impairment			
At 1 January 2021	1,961,129	2,436,276	4,397,405
Depreciation charged in the year	133,264	228,326	361,590
At 31 December 2021	2,094,393	2,664,602	4,758,995
Carrying amount			
At 31 December 2021	1,953,906	682,031	2,635,937
At 31 December 2020	2,087,170	895,537	2,982,707

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	82,667	258,782
Other debtors	314,153	235,424
	396,820	494,206

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	590,500	321,524
Trade creditors	173,096	433,388
Taxation and social security	201,410	131,736
Other creditors	822,909	436,609
	<u>1,787,915</u>	<u>1,323,257</u>

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	2,598,562	3,178,476
Other creditors	130,000	180,000
	<u>2,728,562</u>	<u>3,358,476</u>

The bank loan is secured by a fixed and floating charge over the assets of the company.

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Sam Thomas.

The auditor was Azets Audit Services.

9 Financial commitments, guarantees and contingent liabilities

As at 31 December 2021, the total amount of financial commitments was £10,163,654 (2020 - £10,768,095).

10 Related party transactions

SLOANE SQUARE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Related party transactions

(Continued)

During the year, the company was invoiced £nil (2020 - £15,517) for management fees by Blakeney Holdings Limited, a company in which J H J Lewis and B R J Lewis are directors.

During the year, the company was invoiced £6,000 (2020 - £6,000) for consultancy fees by 123 Jump Limited, a company in which J C S Tham is a director.

During the year, the company was invoiced £20,000 (2020 - £3,800) relating to consultancy fees, by R M Lewis, a close family member of J H J Lewis.

At the year end, the company was owed a balance of £4,626 (2020 - £592) from J H J Lewis, a director. No interest was charged on this balance. This balance was repaid in full after the year-end.

A property that J H J Lewis owns in Tobago was to be let to guests by the company over a ten year period ending 31st December 2025. Any income from the letting was to be treated as income to the company. The company has incurred various costs with a view to better the letting value over the ten years. During the year, costs of £nil (2020 - £15,732) were incurred to the Profit & Loss account. This agreement was terminated as from 1st January 2021.

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