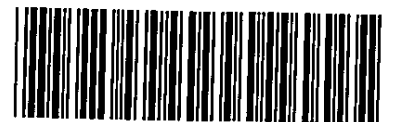


**REGISTERED NUMBER: 05112997 (England and Wales)**

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013  
FOR  
HLW229 LIMITED AND ITS SUBSIDIARIES**

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FOR THE YEAR ENDED 31 DECEMBER 2013**

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**HLW229 LIMITED AND ITS SUBSIDIARIES**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**DIRECTORS:**

R D V Broadbent  
Mrs A Stanley  
Mrs K Hirst  
HLW 386 Limited

**SECRETARY:**

Mrs K Hirst

**REGISTERED OFFICE:**

Whitley Hall Hotel  
Elliott Lane  
Grenoside  
Sheffield

**REGISTERED NUMBER:**

05112997 (England and Wales)

**AUDITORS:**

Hollis and Co Limited  
Chartered Accountants  
Statutory Auditor  
35 Wilkinson Street  
Sheffield  
South Yorkshire  
S10 2GB

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their strategic report of the company and the group for the year ended 31 December 2013

**REVIEW OF BUSINESS**

The group continues to be financed by long term loans from HSBC Bank plc and during the year, cash inflows from its subsidiary have been sufficient to enable the company to meet all administrative costs and scheduled loan repayments

The group's trading subsidiary has had a satisfactory year given the highly competitive market conditions. Turnover has remained relatively stable but there was a squeeze on margins. The business has invested heavily in both infrastructure and the management team with an emphasis in the latter part of the year on cost cutting which should pay real benefits in the remainder of 2014 and beyond. 2014 looks to be following a similar pattern to 2013 in that weddings are expected to reach similar levels, albeit with reduced average numbers, but with the average spend remaining generally the same. Current wedding bookings for 2015 remain ahead of historical data.

Corporate bookings remain a challenge, having reduced slightly in 2013, due to the proliferation of cheap option bedroom factories in central locations. However this has been replaced with stronger leisure business. The trading subsidiary employed a Sales Manager towards the end of 2013 with the intent of focusing on core business and expanding our social media profile.

Considering the challenging market conditions that remain within the hotel sector, the directors are satisfied with the position of the group at 31 December 2013.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Financing and interest rates**

The group's primary cash inflows are generated from the subsidiary trading company, Whitley Hall Hotel Limited. That company is financed via loans from its parent undertaking, HLW 229 Ltd and also from its directors. It also has a small overdraft facility, but there is rarely a need to use this. The loans to the company are interest free, therefore, there is no exposure to interest rate risks. There is an interest rate risk attaching to the bank overdraft, but this is minimal.

The group continues to be financed by a long term bank loan, which has a further 15 years to run. The group has managed its costs of borrowing by entering into a base rate collar transaction, with the objective of reducing the exposure to cash flow interest rate risks. However, as a result of the base rate collar transaction, the group is not benefiting from the current unprecedented low levels of bank base rates.

The group does not trade in financial instruments and has no other form of derivatives.

**Cashflows**

The primary cash inflows are derived from the group's trading company, Whitley Hall Hotel Limited. Under the current economic climate, maintaining cashflow is paramount and this will be monitored closely to ensure cashflows are sufficient to enable the group to meet its obligations.

**Competition**

Competitive risk exists in all business and as mentioned in the business review, customers are very price sensitive and the hotel sector is becoming exceptionally competitive. The group's objective is to be able to identify such risks at an early stage so that an appropriate strategy can be implemented to reduce that risk sufficient to enable the group to meet its obligations.

**ON BEHALF OF THE BOARD:**

  
R D V Broadbent - Director

Date

7/1/14

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2013 amounts to £27,321

**FUTURE DEVELOPMENTS**

As stated in the strategic report, the intention is to reduce costs, focus on core business and expand the social media profile. Efforts are also being made to reduce the slowdown in wedding bookings.

Our planning application for more bedrooms and leisure facilities continues and we have now formally submitted the final application which should reach a conclusion in late spring this year.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

R D V Broadbent  
Mrs A Stanley  
Mrs K Hirst  
HLW 386 Limited

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 the group 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 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.

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

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information

**ON BEHALF OF THE BOARD:**

  
R D V Broadbent - Director

Date

7/1/14

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HLW229 LIMITED AND ITS SUBSIDIARIES**

We have audited the financial statements of HLW229 Limited and its subsidiaries for the year ended 31 December 2013 on pages seven to twenty four. 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 a Report of the Auditors 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 the 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 Group Strategic Report and the Report of the Directors 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 31 December 2013 and of the group's 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

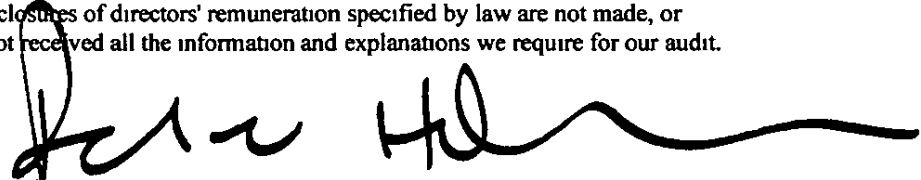
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HLW229 LIMITED AND ITS SUBSIDIARIES**

**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.



Peter Hollis (Senior Statutory Auditor)  
for and on behalf of Hollis and Co Limited  
Chartered Accountants  
Statutory Auditor  
35 Wilkinson Street  
Sheffield  
South Yorkshire  
S10 2GB

Date

12 May 2014

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>TURNOVER</b>		2,262,397	2,274,759
Cost of sales		1,257,477	1,190,409
<b>GROSS PROFIT</b>		1,004,920	1,084,350
Administrative expenses		862,255	883,258
		142,665	201,092
Other operating income		18,562	45,662
<b>OPERATING PROFIT</b>	3	161,227	246,754
Interest receivable and similar income		20	20
		161,247	246,774
Interest payable and similar charges	4	118,999	122,704
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		42,248	124,070
Tax on profit on ordinary activities	5	40,464	57,207
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		1,784	66,863

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 £	2012 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,784	66,863
Unrealised deficit on revaluation of properties	(28,670)	-
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>(26,886)</u>	<u>66,863</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 £	2012 £
<b>REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	42,248	124,070
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>174,002</u>	<u>113,967</u>
<b>HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>216,250</u>	<u>238,037</u>
<b>HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS</b>	<u>148,465</u>	<u>67,901</u>

The notes form part of these financial statements

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**CONSOLIDATED BALANCE SHEET  
31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	8	5,228,706	5,438,414
Investments	9	-	-
		<u>5,228,706</u>	<u>5,438,414</u>
<b>CURRENT ASSETS</b>			
Stocks	10	17,234	17,792
Debtors	11	86,369	44,217
Cash at bank and in hand		392,211	333,567
		<u>495,814</u>	<u>395,576</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	829,600	747,687
<b>NET CURRENT LIABILITIES</b>		<u>(333,786)</u>	<u>(352,111)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,894,920</u>	<u>5,086,303</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	2,504,047	2,641,223
<b>NET ASSETS</b>		<u><u>2,390,873</u></u>	<u><u>2,445,080</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	850	850
Share premium	18	249,000	249,000
Revaluation reserve	18	1,868,513	2,071,185
Capital redemption reserve	18	150	150
Profit and loss account	18	272,360	123,895
<b>SHAREHOLDERS' FUNDS</b>	21	<u><u>2,390,873</u></u>	<u><u>2,445,080</u></u>

The financial statements were approved by the Board of Directors on its behalf by

... 7.5/14

and were signed on

R D V Broadbent - Director

The notes form part of these financial statements

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**COMPANY BALANCE SHEET  
31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	8	-	-
Investments	9	2,337,447	2,337,447
		<u>2,337,447</u>	<u>2,337,447</u>
<b>CURRENT ASSETS</b>			
Debtors	11	547,703	638,751
Cash at bank		49,472	58,068
		<u>597,175</u>	<u>696,819</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	154,054	127,858
<b>NET CURRENT ASSETS</b>		<u>443,121</u>	<u>568,961</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,780,568</u>	<u>2,906,408</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	2,091,661	2,224,938
<b>NET ASSETS</b>		<u><u>688,907</u></u>	<u><u>681,470</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	850	850
Share premium	18	249,000	249,000
Capital redemption reserve	18	150	150
Profit and loss account	18	438,907	431,470
<b>SHAREHOLDERS' FUNDS</b>	21	<u><u>688,907</u></u>	<u><u>681,470</u></u>

The financial statements were approved by the Board of Directors on its behalf by

7/5/14

and were signed on

  
R D V Broadbent - Director

The notes form part of these financial statements

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>Net cash inflow from operating activities</b>	1	438,684	499,475
<b>Returns on investments and servicing of finance</b>	2	(123,953)	(121,374)
<b>Taxation</b>		(57,207)	(33,166)
<b>Capital expenditure</b>	2	(46,076)	(70,725)
<b>Equity dividends paid</b>		(27,321)	(112,929)
		184,127	161,281
<b>Financing</b>	2	(125,483)	(44,925)
<b>Increase in cash in the period</b>		<u>58,644</u>	<u>116,356</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase in cash in the period		58,644	116,356
Cash outflow from decrease in debt and lease financing		<u>125,489</u>	<u>44,925</u>
Change in net debt resulting from cash flows		184,133	161,281
New finance leases		(13,000)	-
<b>Movement in net debt in the period</b>		<u>171,133</u>	<u>161,281</u>
<b>Net debt at 1 January</b>		<u>(2,024,295)</u>	<u>(2,185,576)</u>
<b>Net debt at 31 December</b>		<u><u>(1,853,162)</u></u>	<u><u>(2,024,295)</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

	2013 £	2012 £
Operating profit	161,227	246,754
Depreciation charges	240,115	232,451
Government grants	(2,968)	(3,234)
Decrease/(increase) in stocks	558	(3,110)
(Increase)/decrease in debtors	(37,218)	15,199
Increase in creditors	76,970	11,415
<b>Net cash inflow from operating activities</b>	<b>438,684</b>	<b>499,475</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	20	20
Interest paid	(122,904)	(118,751)
Interest element of hire purchase payments	(1,069)	(2,643)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(123,953)</b>	<b>(121,374)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(46,076)	(70,725)
<b>Net cash outflow for capital expenditure</b>	<b>(46,076)</b>	<b>(70,725)</b>
<b>Financing</b>		
Loan repayments in year	(11,346)	(11,352)
Capital repayments in year	(4,387)	(13,212)
Bank loan repayments in year	(109,750)	(20,361)
<b>Net cash outflow from financing</b>	<b>(125,483)</b>	<b>(44,925)</b>

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 1 13 £	Cash flow £	Other non-cash changes £	At 31 12 13 £
Net cash				
Cash at bank and in hand	333,567	58,644		392,211
	<u>333,567</u>	<u>58,644</u>		<u>392,211</u>
Debt				
Hire purchase	(3,303)	4,387	(13,000)	(11,916)
Debts falling due within one year	(121,107)	(20,689)	-	(141,796)
Debts falling due after one year	(2,233,452)	141,791	-	(2,091,661)
	<u>(2,357,862)</u>	<u>125,489</u>	<u>(13,000)</u>	<u>(2,245,373)</u>
Total	<u>(2,024,295)</u>	<u>184,133</u>	<u>(13,000)</u>	<u>(1,853,162)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

**Turnover**

Turnover represents net invoiced sales of services provided, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- Straight line over 99 years
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

As stated above, the depreciation policy for land and buildings is straight line over 99 years. As the estimated residual value of the land and buildings is considered to be not materially different from its current carrying value, the calculated depreciation charge is not material.

Depreciation of assets only commences when the asset is brought into use.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Investments**

Investments are included at the lower of cost or net recoverable amount.

**Government grants**

Government grants received which are of a capital nature, are recognised as deferred income in the balance sheet and then credited to the profit and loss account at the same rate as the depreciation charge of the relevant asset.

Government grants received which are of a revenue nature are credited directly to the profit and loss account.

**2 STAFF COSTS**

	2013	2012
	£	£
Wages and salaries	846,508	777,428
Social security costs	44,433	49,529
	<u>890,941</u>	<u>826,957</u>

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013****2 STAFF COSTS - continued**

The average monthly number of employees during the year was as follows

	2013	2012
Staff in hotel operations	57	58
Directors and administration	5	5
	<u>62</u>	<u>63</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging

	2013	2012
	£	£
Depreciation - owned assets	236,126	217,771
Depreciation - assets on hire purchase contracts	3,988	14,680
Auditors' remuneration	6,500	6,500
	<u>47,882</u>	<u>53,414</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013	2012
	£	£
Loan	114,966	117,097
Interest rate collar premiums	2,964	2,964
Hire purchase	1,069	2,643
	<u>118,999</u>	<u>122,704</u>

**5 TAXATION****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	2013	2012
	£	£
Current tax		
UK corporation tax	40,464	57,207
	<u>40,464</u>	<u>57,207</u>

Tax on profit on ordinary activities

UK corporation tax has been charged at 23%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**5 TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2013	2012
	£	£
Profit on ordinary activities before tax	<u>42,248</u>	<u>124,070</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2012 - 24%)	9,717	29,777
Effects of tax purposes		
Income not subject to tax	(683)	(776)
Depreciation in excess of capital allowances	35,470	32,484
Small company marginal tax relief at 28%	(4,517)	(5,552)
Pre April 2012 profits taxed at 26%	<u>477</u>	<u>1,274</u>
Current tax charge	<u>40,464</u>	<u>57,207</u>

If, at the year end, the group had sold its revalued asset at its carrying value, the directors estimate that further tax of approximately £442,000 would have been payable. No provision has been made in the accounts for this, as the group has no intention to sell the asset.

**6 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £34,758 (2012 - £52,040).

**7 DIVIDENDS**

	2013	2012
	£	£
Ordinary shares of £1 each		
Interim	<u>27,321</u>	<u>112,929</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

## 8 TANGIBLE FIXED ASSETS

Group	Freehold property £	Improvements to property £	Fixtures and fittings £
<b>COST OR VALUATION</b>			
At 1 January 2013	5,123,011	579,604	578,673
Additions	17,745	6,481	18,324
Revaluations	(28,670)	(546,235)	(548,933)
At 31 December 2013	<u>5,112,086</u>	<u>39,850</u>	<u>48,064</u>
<b>DEPRECIATION</b>			
At 1 January 2013	-	429,827	431,808
Charge for year	-	116,408	117,125
Revaluation adjustments	-	(546,235)	(548,933)
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET BOOK VALUE</b>			
At 31 December 2013	<u>5,112,086</u>	<u>39,850</u>	<u>48,064</u>
At 31 December 2012	<u>5,123,011</u>	<u>149,777</u>	<u>146,865</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2013	800	29,222	6,311,310
Additions	13,000	3,526	59,076
Revaluations	-	-	(1,123,838)
At 31 December 2013	<u>13,800</u>	<u>32,748</u>	<u>5,246,548</u>
<b>DEPRECIATION</b>			
At 1 January 2013	800	10,461	872,896
Charge for year	600	5,981	240,114
Revaluation adjustments	-	-	(1,095,168)
At 31 December 2013	<u>1,400</u>	<u>16,442</u>	<u>17,842</u>
<b>NET BOOK VALUE</b>			
At 31 December 2013	<u>12,400</u>	<u>16,306</u>	<u>5,228,706</u>
At 31 December 2012	<u>-</u>	<u>18,761</u>	<u>5,438,414</u>

Cost or valuation at 31 December 2013 is represented by

	Freehold property £	Improvements to property £	Fixtures and fittings £
Valuation in 2013	<u>5,112,086</u>	<u>39,850</u>	<u>48,064</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

8 TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2013	-	-	5,200,000
Cost	13,800	32,748	46,548
	<u>13,800</u>	<u>32,748</u>	<u>5,246,548</u>

If property and fixtures had not been revalued they would have been included at the following historical cost

	2013 £	2012 £
Cost	3,623,870	3,256,665
Aggregate depreciation	<u>1,188,329</u>	<u>1,050,721</u>

In accordance with the requirements of Financial Reporting Standard 15 a valuation of the group's freehold interest in Whitley Hall Hotel was undertaken during the year. In July 2013 Messrs Edward Symmons LLP valued the hotel on the basis of existing use value at £5.2m

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2013	73,400	-	73,400
Additions	-	13,000	13,000
Transfer to ownership	(73,400)	-	(73,400)
At 31 December 2013	<u>-</u>	<u>13,000</u>	<u>13,000</u>
<b>DEPRECIATION</b>			
At 1 January 2013	70,012	-	70,012
Charge for year	3,388	600	3,988
Transfer to ownership	(73,400)	-	(73,400)
At 31 December 2013	<u>-</u>	<u>600</u>	<u>600</u>
<b>NET BOOK VALUE</b>			
At 31 December 2013	<u>-</u>	<u>12,400</u>	<u>12,400</u>
At 31 December 2012	<u>3,388</u>	<u>-</u>	<u>3,388</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

9 FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
<b>COST</b>	
At 1 January 2013 and 31 December 2013	2,337,447
<b>NET BOOK VALUE</b>	
At 31 December 2013	2,337,447
At 31 December 2012	2,337,447

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiary

**Whitley Hall Hotel Limited**

Nature of business Hoteliers and restaurateurs

Class of shares	% holding	2013	2012
Ordinary	100 00	£	£
Aggregate capital and reserves		4,039,412	4,101,056
Profit for the year		84,026	152,619

10 STOCKS

	Group
	2013 2012
	£ £
Stocks	17,234 17,792

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	35,508	9,879	9,420	9,420
Amounts owed by group undertakings	-	-	518,076	614,058
Other debtors	10,238	-	-	-
Prepayments and accrued income	20,207	15,273	20,207	15,273
Prepayments	20,416	19,065	-	-
	86,369	44,217	547,703	638,751

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts (see note 14)	133,282	109,755	133,282	109,755
Other loans (see note 14)	8,514	11,352	-	-
Hire purchase contracts (see note 15)	4,333	3,303	-	-
Trade creditors	138,113	117,651	-	-
Tax	40,464	57,207	-	-
Social security and other taxes	17,599	15,785	2,120	1,531
VAT	57,857	66,283	4,598	6,197
Other creditors	10,630	4,068	2,640	-
Accruals and deferred income	404,428	348,943	-	-
Accrued expenses	11,412	10,372	11,414	10,375
Deferred government grants	2,968	2,968	-	-
	<u>829,600</u>	<u>747,687</u>	<u>154,054</u>	<u>127,858</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans (see note 14)	2,091,661	2,224,938	2,091,661	2,224,938
Other loans (see note 14)	-	8,514	-	-
Hire purchase contracts (see note 15)	7,583	-	-	-
Directors' loan accounts	131,000	131,000	-	-
Deferred government grants	273,803	276,771	-	-
	<u>2,504,047</u>	<u>2,641,223</u>	<u>2,091,661</u>	<u>2,224,938</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

14 LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Amounts falling due within one year or on demand				
Bank loans	133,282	109,755	133,282	109,755
Other loans	8,514	11,352	-	-
	<u>141,796</u>	<u>121,107</u>	<u>133,282</u>	<u>109,755</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	135,179	133,408	135,179	133,408
Other loans - 1-2 years	-	8,514	-	-
	<u>135,179</u>	<u>141,922</u>	<u>135,179</u>	<u>133,408</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	417,195	411,621	417,195	411,621
	<u>417,195</u>	<u>411,621</u>	<u>417,195</u>	<u>411,621</u>
Amounts falling due in more than five years				
Repayable by instalments				
Bank loans more 5 yr by instal	1,539,287	1,679,909	1,539,287	1,679,909
	<u>1,539,287</u>	<u>1,679,909</u>	<u>1,539,287</u>	<u>1,679,909</u>

The groups bank loan bears interest at variable rates based on Bank of England base rate. Due to the base rate collar transaction entered into by the company, the majority of the loan will be subject to a minimum rate of interest of 5.9%, with the maximum rate of interest being 7.4%. The base rate collar transaction has a maturity date of February 2018.

The groups other loan is interest free.

15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Group	Hire purchase contracts	
	2013 £	2012 £
Net obligations repayable		
Within one year	4,333	3,303
Between one and five years	7,583	-
	<u>11,916</u>	<u>3,303</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013

16 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	2,224,943	2,334,693	2,224,943	2,334,693
Hire purchase contracts	11,916	3,303	-	-
	<u>2,236,859</u>	<u>2,337,996</u>	<u>2,224,943</u>	<u>2,334,693</u>

The group has given an Unlimited Multilateral Guarantee dated 3 September 2004 to HSBC Bank plc to secure all liabilities. There is a legal right of set off over all balances owed to or by the bank by the group.

In addition the bank has a debenture dated 3 September 2004 which includes a Fixed Charge over all present freehold and leasehold property, First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and First Floating Charge over all assets and undertaking both present and future.

The group's total indebtedness to HSBC Bank plc at 31 December 2013 amounted to £1,851,416.

The hire purchase contract is secured upon the assets to which it relates.

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	2013	2012
		£1	£	£
1,000	Ordinary		<u>850</u>	<u>850</u>

18 RESERVES

Group	Profit and loss account	Share premium	Revaluation reserve	Capital redemption reserve	Totals
	£	£	£	£	£
At 1 January 2013	123,895	249,000	2,071,185	150	2,444,230
Profit for the year	1,784				1,784
Dividends	(27,321)				(27,321)
Revaluation surplus	-	-	(28,670)	-	(28,670)
Transfer of excess depreciation on revalued assets	174,002	-	(174,002)	-	-
At 31 December 2013	<u>272,360</u>	<u>249,000</u>	<u>1,868,513</u>	<u>150</u>	<u>2,390,023</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**18 RESERVES - continued**

Company	Profit and loss account £	Share premium £	Capital redemption reserve £	Totals £
At 1 January 2013	431,470	249,000	150	680,620
Profit for the year	34,758			34,758
Dividends	(27,321)			(27,321)
At 31 December 2013	<u>438,907</u>	<u>249,000</u>	<u>150</u>	<u>688,057</u>

**19 RELATED PARTY DISCLOSURES**

**The Directors**

During the year, the group continued to benefit from loans of £131,000 from its directors. These loans are interest free and have no fixed repayment date, but the directors consider these loans to be of a long term nature.

In previous years, the short term loans from the directors were repaid by the company. With effect from 1 January 2009, these loans were interest free loans (previously accruing interest at 5% per annum). At the year end, the amount of unpaid interest was £2,970 (2012: £2,970).

**20 ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Mr R D V Broadbent, a director and majority shareholder of HLW229 Limited.

**21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

Group	2013 £	2012 £
Profit for the financial year	1,784	66,863
Dividends	(27,321)	(112,929)
	<u>(25,537)</u>	<u>(46,066)</u>
Other recognised gains and losses relating to the year (net)	<u>(28,670)</u>	<u>-</u>
Net reduction of shareholders' funds	(54,207)	(46,066)
Opening shareholders' funds	<u>2,445,080</u>	<u>2,491,146</u>
Closing shareholders' funds	<u>2,390,873</u>	<u>2,445,080</u>

**HLW229 LIMITED AND ITS SUBSIDIARIES (REGISTERED NUMBER: 05112997)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued**

**Company**

	2013	2012
	£	£
Profit for the financial year	34,758	52,040
Dividends	(27,321)	(112,929)
Purchase of own shares		
Net addition/(reduction) to shareholders' funds	7,437	(60,889)
Opening shareholders' funds	681,470	742,359
Closing shareholders' funds	688,907	681,470