

REGISTERED NUMBER: 05112997 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022
FOR
HLW229 LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2022**

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HLW229 LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2022**

DIRECTORS:

R D V Broadbent
Mrs A Stanley
HLW 386 Limited

SECRETARY:

R D V Broadbent

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 30 JUNE 2022**

The directors present their strategic report of the company and the group for the year ended 30 June 2022.

REVIEW OF BUSINESS

The results of the group for the year and its financial position are shown in the annexed financial statements.

For the year ended 30 June 2022, the group achieved a profit before tax of £566,085 (2021: loss £423,073).on turnover of £3,631,481 (2021;£1,458,310).

The last twelve months have proved to be challenging for the trading subsidiary due to rampant inflation, a hang over of business still being charged at 2019 rates and staff shortages. Whilst cash flow was a way off the mark the business done forecast was pretty much spot on. All areas of expenses were put under severe pressures due to many significant wage increases in order to keep staff levels where appropriate. Numerous staff benefits for the same purpose and the usual hike in minimum wage which affect many more than those on the base rate since inflation of pretty much everything had a severe impact on gross profits and overheads. These areas have been monitored in some detail and we expect 2023 to begin to fall into line of expected cash movements and gross profit achieved due partly to much more robust pricing, the addition of more facilities and services and much refurbishment, all of which affected our forecast overheads for last year and indeed this, but which are proving to be good investments so far. These numbers are subject to further investment costs should we see fit. We also purchased outright a staff apartment to provide an insurance policy with regards to recruitment going forward.

We expect the gross profit to improve this year, sales to increase by roughly 12%, and for the wage percentage to drop. These numbers may vary somewhat due to the fact the financial year now straddles two years not one.

Cash flow is still very healthy and whilst we are paying off Covid loans at a furious rate, we are still expecting good profits for the year ahead.

Overall, the directors are satisfied with the performance for the year.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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 has a small overdraft facility, but there is rarely a need to use this. There is an interest rate risk attaching to the bank overdraft, but this is minimal.

The group continues to be financed by long term bank loans, which have a further 7 years to run.

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

Cashflows

The primary cash inflows are derived from the groups 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 customers in the hotel sector are very price sensitive and the sector is 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

29 March 2023

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2022.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2022 amounts to £147,295.

FUTURE DEVELOPMENTS

The directors will focus on increasing wedding bookings following the construction of a new function suite and terraces. Efforts will also continue towards increasing the core business and expanding the social media profile.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2021 to the date of this report.

R D V Broadbent
Mrs A Stanley
HLW 386 Limited

DISCLOSURE IN THE STRATEGIC REPORT

Certain items required under Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports Regulations) 2008 to be disclosed in the directors' report are set out in the Strategic Report in accordance with S414C(11) Companies Act 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, 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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022**

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

29 March 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HLW229 LIMITED

Opinion

We have audited the financial statements of HLW229 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 June 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HLW229 LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's in-house legal team around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the further that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HLW229 LIMITED**

Use of our report

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.

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

30 March 2023

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

		Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
	Notes		
TURNOVER	4	3,631,481	1,458,310
Cost of sales		<u>2,148,207</u>	<u>1,756,007</u>
GROSS PROFIT/(LOSS)		1,483,274	(297,697)
Administrative expenses		<u>991,812</u>	<u>764,651</u>
		491,462	(1,062,348)
Other operating income	5	<u>90,446</u>	<u>674,417</u>
OPERATING PROFIT/(LOSS)	7	581,908	(387,931)
Interest receivable and similar income		<u>11,987</u>	<u>4,800</u>
		593,895	(383,131)
Interest payable and similar expenses	8	<u>27,810</u>	<u>39,942</u>
PROFIT/(LOSS) BEFORE TAXATION		566,085	(423,073)
Tax on profit/(loss)	9	<u>96,772</u>	<u>(98,679)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>469,313</u>	<u>(324,394)</u>
Profit/(loss) attributable to: Owners of the parent		<u>469,313</u>	<u>(324,394)</u>

The notes form part of these financial statements

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
PROFIT/(LOSS) FOR THE YEAR		469,313	(324,394)
OTHER COMPREHENSIVE INCOME			
Deferred tax on revaluation reserve		(2,774)	(59,773)
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(2,774)</u>	<u>(59,773)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>466,539</u>	<u>(384,167)</u>
Total comprehensive income attributable to: Owners of the parent		<u>466,539</u>	<u>(384,167)</u>

CONSOLIDATED BALANCE SHEET
30 JUNE 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	12		5,914,810		5,754,128
Investments	13		<u>-</u>		<u>-</u>
			5,914,810		5,754,128
CURRENT ASSETS					
Stocks	14	40,335		23,050	
Debtors	15	247,710		299,594	
Cash at bank and in hand		<u>1,664,743</u>		<u>1,305,318</u>	
		1,952,788		1,627,962	
CREDITORS					
Amounts falling due within one year	16	<u>2,149,506</u>		<u>1,678,381</u>	
NET CURRENT LIABILITIES			<u>(196,718)</u>		<u>(50,419)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,718,092		5,703,709
CREDITORS					
Amounts falling due after more than one year	17		(1,497,078)		(1,804,713)
PROVISIONS FOR LIABILITIES	20		<u>(235,279)</u>		<u>(232,505)</u>
NET ASSETS			<u>3,985,735</u>		<u>3,666,491</u>
CAPITAL AND RESERVES					
Called up share capital	21		800		800
Share premium	22		249,000		249,000
Revaluation reserve	22		1,633,234		1,636,008
Capital redemption reserve	22		200		200
Retained earnings	22		<u>2,102,501</u>		<u>1,780,483</u>
SHAREHOLDERS' FUNDS			<u>3,985,735</u>		<u>3,666,491</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 March 2023 and were signed on its behalf by:

R D V Broadbent - Director

COMPANY BALANCE SHEET
30 JUNE 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	12		-		-
Investments	13		<u>2,337,447</u>		<u>2,337,447</u>
			2,337,447		2,337,447
CURRENT ASSETS					
Debtors	15	82,709		281,921	
Cash at bank		<u>1,307,353</u>		<u>654,831</u>	
		1,390,062		936,752	
CREDITORS					
Amounts falling due within one year	16	<u>1,068,156</u>		<u>239,043</u>	
NET CURRENT ASSETS			<u>321,906</u>		<u>697,709</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,659,353		3,035,156
CREDITORS					
Amounts falling due after more than one year	17		<u>1,293,657</u>		<u>1,566,313</u>
NET ASSETS			<u>1,365,696</u>		<u>1,468,843</u>
CAPITAL AND RESERVES					
Called up share capital	21		800		800
Share premium	22		249,000		249,000
Capital redemption reserve	22		200		200
Retained earnings	22		<u>1,115,696</u>		<u>1,218,843</u>
SHAREHOLDERS' FUNDS			<u>1,365,696</u>		<u>1,468,843</u>
Company's profit for the financial year			<u>44,148</u>		<u>59,040</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 March 2023 and were signed on its behalf by:

R D V Broadbent - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2020	800	2,266,458	249,000
Changes in equity			
Dividends	-	(161,581)	-
Total comprehensive income	-	(324,394)	-
Balance at 30 June 2021	<u>800</u>	<u>1,780,483</u>	<u>249,000</u>
Changes in equity			
Dividends	-	(147,295)	-
Total comprehensive income	-	469,313	-
Balance at 30 June 2022	<u>800</u>	<u>2,102,501</u>	<u>249,000</u>
	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 January 2020	1,695,781	200	4,212,239
Changes in equity			
Dividends	-	-	(161,581)
Total comprehensive income	(59,773)	-	(384,167)
Balance at 30 June 2021	<u>1,636,008</u>	<u>200</u>	<u>3,666,491</u>
Changes in equity			
Dividends	-	-	(147,295)
Total comprehensive income	(2,774)	-	466,539
Balance at 30 June 2022	<u>1,633,234</u>	<u>200</u>	<u>3,985,735</u>

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2020	800	1,321,384	249,000	200	1,571,384
Changes in equity					
Dividends	-	(161,581)	-	-	(161,581)
Total comprehensive income	-	59,040	-	-	59,040
Balance at 30 June 2021	800	1,218,843	249,000	200	1,468,843
Changes in equity					
Dividends	-	(147,295)	-	-	(147,295)
Total comprehensive income	-	44,148	-	-	44,148
Balance at 30 June 2022	800	1,115,696	249,000	200	1,365,696

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

		Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	953,506	(501,480)
Interest paid		(27,810)	(39,942)
Tax paid		(1,481)	(7,021)
Net cash from operating activities		<u>924,215</u>	<u>(548,443)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(195,858)	(433,599)
Interest received		11,987	4,800
Net cash from investing activities		<u>(183,871)</u>	<u>(428,799)</u>
Cash flows from financing activities			
New loans in year		-	740,000
Loan repayments in year		(256,439)	(91,176)
Amount withdrawn by directors		(571)	(4,553)
Grants released		23,386	626,232
Equity dividends paid		(147,295)	(161,581)
Net cash from financing activities		<u>(380,919)</u>	<u>1,108,922</u>
Increase in cash and cash equivalents		<u>359,425</u>	<u>131,680</u>
Cash and cash equivalents at beginning of year	2	1,305,318	1,173,638
Cash and cash equivalents at end of year	2	<u>1,664,743</u>	<u>1,305,318</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**
1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Profit/(loss) before taxation	566,085	(423,073)
Depreciation charges	35,176	37,484
Government grants	(23,386)	(626,231)
Finance costs	27,810	39,942
Finance income	(11,987)	(4,800)
	<u>593,698</u>	<u>(976,678)</u>
Increase in stocks	(17,285)	(6,259)
Decrease/(increase) in trade and other debtors	53,131	(79,871)
Increase in trade and other creditors	<u>323,962</u>	<u>561,328</u>
Cash generated from operations	<u><u>953,506</u></u>	<u><u>(501,480)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2022

	30/6/22 £	1/7/21 £
Cash and cash equivalents	<u>1,664,743</u>	<u>1,305,318</u>
Period ended 30 June 2021		

	30/6/21 £	1/1/20 £
Cash and cash equivalents	<u>1,305,318</u>	<u>1,173,638</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/7/21 £	Cash flow £	At 30/6/22 £
Net cash			
Cash at bank and in hand	<u>1,305,318</u>	<u>359,425</u>	<u>1,664,743</u>
	<u>1,305,318</u>	<u>359,425</u>	<u>1,664,743</u>
Debt			
Debts falling due within 1 year	(238,102)	(51,196)	(289,298)
Debts falling due after 1 year	<u>(1,804,713)</u>	<u>307,635</u>	<u>(1,497,078)</u>
	<u>(2,042,815)</u>	<u>256,439</u>	<u>(1,786,376)</u>
Total	<u><u>(737,497)</u></u>	<u><u>615,864</u></u>	<u><u>(121,633)</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. STATUTORY INFORMATION

HLW229 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The figures in the financial statements are rounded to the nearest £.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Basis of consolidation

The Group financial statements consolidate the financial statements of HLW 229 Limited and its subsidiary undertaking. The Group profit and loss account includes the results of HLW 229 Limited and its subsidiary after intra group trading and profits have been eliminated.

Significant judgements and estimates

- Key sources of estimation uncertainty.

The Group believes that there are no areas of material estimation uncertainty which affect the financial statements.

- Critical accounting judgements in applying the Group's accounting policies.

The Group believes that the major judgements applied are: the use of the going concern principle which is based on the belief that the group will have adequate resources to continue in operational existence for the foreseeable future.

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.

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

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

As stated above, the depreciation policy for freehold property is straight line over 99 years. As the estimated residual value of the hotel land and buildings is considered not to be materially different from its current carrying value, no depreciation has been charged. Depreciation is being charged on a separate freehold property.

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

3. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost, using the first in first out method, and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

Financial Liabilities

The group's bank loans payable meet the definition of a basic financial instrument, so they are originally recognised at the transaction price.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

4. TURNOVER

The turnover and profit (2021 - loss) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Operation of a hotel	3,631,481	1,458,310
	<u>3,631,481</u>	<u>1,458,310</u>

All turnover arose in the United Kingdom.

5. OTHER OPERATING INCOME

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Sundry receipts	67,060	48,186
Government COVID-19 grants	23,386	626,231
	<u>90,446</u>	<u>674,417</u>

6. EMPLOYEES AND DIRECTORS

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Wages and salaries	1,383,611	1,379,960
Social security costs	97,374	90,128
Other pension costs	26,290	22,943
	<u>1,507,275</u>	<u>1,493,031</u>

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

	Year ended 30/6/22	Period 1/1/20 to 30/6/21
Staff in hotel operations	92	61
Directors and administration	<u>2</u>	<u>2</u>
	<u>94</u>	<u>63</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 94 (2021 - 63).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

6. EMPLOYEES AND DIRECTORS - continued

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Directors' remuneration	10,073	39,768
Directors' pension contributions to money purchase schemes	<u>141</u>	<u>845</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

7. OPERATING PROFIT/(LOSS)

The operating profit (2021 - operating loss) is stated after charging:

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Depreciation - owned assets	35,176	37,484
Auditors' remuneration	<u>2,500</u>	<u>2,500</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Bank loan interest	2,023	-
Loan	<u>25,787</u>	<u>39,942</u>
	<u>27,810</u>	<u>39,942</u>

9. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Current tax:		
UK corporation tax	<u>96,772</u>	<u>(98,679)</u>
Tax on profit/(loss)	<u>96,772</u>	<u>(98,679)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

9. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

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

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
Profit/(loss) before tax	<u>566,085</u>	<u>(423,073)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	107,556	(80,384)
Effects of:		
Depreciation in excess of capital allowances	(11,896)	(29,878)
Tax losses carry forward	<u>1,112</u>	<u>11,583</u>
Total tax charge/(credit)	<u>96,772</u>	<u>(98,679)</u>

Tax effects relating to effects of other comprehensive income

	2022		
	Gross £	Tax £	Net £
Deferred tax on revaluation reserve	<u>(2,774)</u>	<u>-</u>	<u>(2,774)</u>
	1/1/20 to 30/6/21		
	Gross £	Tax £	Net £
Deferred tax on revaluation reserve	<u>(59,773)</u>	<u>-</u>	<u>(59,773)</u>

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	Year ended 30/6/22 £	Period 1/1/20 to 30/6/21 £
A Ordinary shares of 0.01 each Interim	<u>147,295</u>	<u>161,581</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST OR VALUATION			
At 1 July 2021	5,697,577	84,237	137,789
Additions	137,826	7,347	25,113
At 30 June 2022	<u>5,835,403</u>	<u>91,584</u>	<u>162,902</u>
DEPRECIATION			
At 1 July 2021	4,966	71,240	93,293
Charge for year	4,972	5,859	16,372
At 30 June 2022	<u>9,938</u>	<u>77,099</u>	<u>109,665</u>
NET BOOK VALUE			
At 30 June 2022	<u>5,825,465</u>	<u>14,485</u>	<u>53,237</u>
At 30 June 2021	<u>5,692,611</u>	<u>12,997</u>	<u>44,496</u>

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 July 2021	13,800	48,226	5,981,629
Additions	-	25,572	195,858
At 30 June 2022	<u>13,800</u>	<u>73,798</u>	<u>6,177,487</u>
DEPRECIATION			
At 1 July 2021	13,800	44,202	227,501
Charge for year	-	7,973	35,176
At 30 June 2022	<u>13,800</u>	<u>52,175</u>	<u>262,677</u>
NET BOOK VALUE			
At 30 June 2022	<u>-</u>	<u>21,623</u>	<u>5,914,810</u>
At 30 June 2021	<u>-</u>	<u>4,024</u>	<u>5,754,128</u>

Cost or valuation at 30 June 2022 is represented by:

	Freehold property £	Improvements to property £	Fixtures and fittings £
Valuation in 2008	5,000,000	500,000	500,000
Valuation in 2013	112,086	(460,150)	(451,936)
Cost	<u>723,317</u>	<u>51,734</u>	<u>114,838</u>
	<u>5,835,403</u>	<u>91,584</u>	<u>162,902</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

12. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2008	-	-	6,000,000
Valuation in 2013	-	-	(800,000)
Cost	13,800	73,798	977,487
	<u>13,800</u>	<u>73,798</u>	<u>6,177,487</u>

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

	2022 £	2021 £
Cost	<u>4,550,656</u>	<u>4,349,850</u>
Aggregate depreciation	<u>1,525,299</u>	<u>1,478,261</u>

A formal valuation of the group's freehold interest in Whitley Hall Hotel was undertaken in July 2013 by Messrs Edward Symmons LLP who valued the hotel on an existing use basis at £5.2m.

The provisions of Financial Reporting Standard 102 require that this valuation be reviewed with sufficient regularity to ensure that the carrying value does not differ materially from the fair value. The directors have had informal discussions with a firm of Chartered Surveyors and valuers to ascertain the current market value and based on those discussions, the current trading position and the future trading forecasts produced by the company, the directors have concluded that the current carrying value of the hotel is not materially different from its market valuation.

In accordance with the requirements of FRS 102, provision for deferred taxation has been made in full on the revaluation of fixed assets.

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2021 and 30 June 2022	<u>2,337,447</u>
NET BOOK VALUE	
At 30 June 2022	<u>2,337,447</u>
At 30 June 2021	<u>2,337,447</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

13. FIXED ASSET INVESTMENTS - continued

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**

Registered office: Whitley Hall, Elliott Lane, Grenoside, Sheffield, S35 8NR

Nature of business: Hoteliers and restaurateurs

Class of shares:	%
Ordinary	holding 100.00

14. STOCKS

	Group	
	2022	2021
	£	£
Stocks	<u>40,335</u>	<u>23,050</u>

Stock recognised in cost of sales during the year as an expense was £651,086 (2021 £304,583),

The total carrying amount of stock is pledged as security for the group's bank borrowings.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	49,945	30,844	12,600	4,620
Amounts owed by group undertakings	-	-	-	190,000
Other debtors	19,102	40,163	9,200	24,700
Directors' current accounts	65,618	65,047	45,619	47,048
Tax	52,151	51,475	15,290	15,290
VAT	21,903	104,872	-	263
Prepayments	38,991	7,193	-	-
	<u>247,710</u>	<u>299,594</u>	<u>82,709</u>	<u>281,921</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 18)	289,298	238,102	251,053	226,502
Trade creditors	153,218	75,843	8,407	3,529
Amounts owed to group undertakings	-	-	800,000	-
Tax	97,447	1,480	-	-
Social security and other taxes	48,597	19,662	27	228
VAT	-	-	650	-
Other creditors	39,679	41,027	108	2,878
Accruals and deferred income	1,521,267	1,302,267	7,911	5,906
	<u>2,149,506</u>	<u>1,678,381</u>	<u>1,068,156</u>	<u>239,043</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans (see note 18)	<u>1,497,078</u>	<u>1,804,713</u>	<u>1,293,657</u>	<u>1,566,313</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>289,298</u>	<u>238,102</u>	<u>251,053</u>	<u>226,502</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>298,033</u>	<u>280,535</u>	<u>257,733</u>	<u>233,226</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>828,360</u>	<u>877,481</u>	<u>694,011</u>	<u>726,409</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>370,685</u>	<u>646,697</u>	<u>341,913</u>	<u>606,678</u>

The bank loan have maturity dates of June 2026, February 2027 and December 2028. Interest is charged at 3% and 0.9% over the Bank's Sterling Base Rate.

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	<u>1,786,376</u>	<u>2,042,815</u>	<u>1,544,710</u>	<u>1,792,815</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 groups net indebtedness to HSBC Bank plc at 30 June 2022 amounted to £150,251.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

20. PROVISIONS FOR LIABILITIES

	Group	
	2022 £	2021 £
Deferred tax		
Revaluation of property	<u>235,279</u>	<u>232,505</u>
Group		
		Deferred tax £
Balance at 1 July 2021		232,505
Provided during year		<u>2,774</u>
Balance at 30 June 2022		<u><u>235,279</u></u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
69,997	A Ordinary	0.01	700	700
10,000	B Ordinary	0.01	100	100
3	C, D and E Ordinary	0.01	-	-
			<u>800</u>	<u>800</u>

Except as otherwise provided in the Articles of Association, the A shares, B shares, C shares, D shares and E shares shall rank pari passu in all respects but constitute separate classes of shares.

The company has an Enterprise Management Incentives Scheme. The scheme allows EMI options to be granted to eligible employees

22. RESERVES

Group	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 July 2021	1,780,483	249,000	1,636,008	200	3,665,691
Profit for the year	469,313				469,313
Dividends	(147,295)				(147,295)
Deferred tax release	-	-	(2,774)	-	(2,774)
At 30 June 2022	<u>2,102,501</u>	<u>249,000</u>	<u>1,633,234</u>	<u>200</u>	<u>3,984,935</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

22. RESERVES - continued

Company

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 July 2021	1,218,843	249,000	200	1,468,043
Profit for the year	44,148			44,148
Dividends	(147,295)			(147,295)
At 30 June 2022	<u>1,115,696</u>	<u>249,000</u>	<u>200</u>	<u>1,364,896</u>

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the year ended 30 June 2022 and the period ended 30 June 2021:

	2022 £	2021 £
R D V Broadbent		
Balance outstanding at start of year	47,048	47,048
Amounts repaid	(1,429)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>45,619</u>	<u>47,048</u>

The advance is interest free and there is no fixed repayment term. The amount is included within other debtors.

24. RELATED PARTY DISCLOSURES

Invoiced management charges to Whitley Hall Hotel Limited amounted to £40,550 (2021:£17,550). The amount owed by Whitley Hall Hotel Limited at the year end of £12,600 (2021: £4,620) is disclosed within trade debtors.

During the year, a total of key management personnel compensation of £ 128,193 (2021 - £ 154,378) was paid.

25. ULTIMATE CONTROLLING PARTY

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

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.