Company Registration No. 05319043 (England and Wales)

The County Hotel Canterbury Limited

Annual report and financial statements
for the period ended 31 December 2017

Saffery Champness

CHARTERED ACCOUNTANTS

The County Hotel Canterbury Limited

Company information

Directors	Jeremy Hancock	
	Andrew Brownsword	
	Stephanie Hocking	
	Jocelyn Houghton	(Appointed 27 January 2017)
Secretary	Jocelyn Houghton	
Company number	05319043	
Registered office	4 Queen Square Bath BA1 2HA	
Independent auditors	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ	
Business address	30-33 High Street Canterbury Kent CT1 2RX	

The County Hotel Canterbury Limited

Contents

The County Hotel Canterbury Limited

Strategic report
For the period ended 31 December 2017

The directors present the strategic report and financial statements for the period ended 31 December 2017.

Fair review of the business
Accommodation performed well in the period while food and beverage trading continued to be challenging. Management has been able to control expenditure in response to this and overall the results for the period are satisfactory given prevailing market conditions.

The profit for the period, after taxation, amounted to £561,282 (period ended 1 January 2017: £76,353) and will be transferred to reserves. No dividends were paid or proposed in the period.

Principal risks and uncertainties
The company manages competitive trading risk by providing high quality services and maintaining strong relationships with its customers.

In line with the hotel and restaurant industry generally, the business is exposed to normal economic and market factors which ultimately reflect the strength of the economy and the strength of local conditions. This is affected by business usage and tourism as well as normal seasonal factors and weather conditions.

The directors believe the company is well placed to compete in the market despite challenging market conditions.

Development and performance
It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

Other performance indicators
The core key performance indicators tracked by the business include revenue per room, occupancy rates and EBITDA as well as non-financial measures.

During the period, the company performed well against these measures and the directors are pleased with the overall performance.

On behalf of the board

Jocelyn Houghton
Director
26/9/2018

Directors' report
For the period ended 31 December 2017

The directors present their annual report and financial statements for the period ended 31 December 2017.

Principal activities
The principal activity of the company during the period was the provision of accommodation and restaurant services.

Directors
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Jeremy Hancock	
Andrew Brownsword	
Alison Skedd	(Resigned 27 January 2017)
Stephanie Hocking	
Jocelyn Houghton	(Appointed 27 January 2017)

Results and dividends
The results for the period are set out on page 7.

The Directors' Report does not include a fair review of the business, details of the risks and uncertainties and future developments, as this information is documented within the Strategic Report as required under s414C (11) of The Companies Act 2006.

Auditor
Saffery Champness LLP have expressed their willingness to continue in office.

The County Hotel Canterbury Limited

Directors' report (continued)
For the period ended 31 December 2017

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Jocelyn Houghton
Director
26/9/2018.

The County Hotel Canterbury Limited

Independent auditor's report
To the members of The County Hotel Canterbury Limited

Opinion

We have audited the financial statements of The County Hotel Canterbury Limited (the 'company') for the period ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and 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 FRS 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 company's affairs as at 31 December 2017 and of its profit for the period 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

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

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

David Lemon (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

26/9/18

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

The County Hotel Canterbury Limited

Statement of comprehensive income
For the period ended 31 December 2017

	Notes	Period ended 31 December 2017 £	Period ended 1 January 2017 £
Turnover	3	4,416,751	4,518,632
Cost of sales		(2,230,853)	(2,409,564)
Gross profit		2,185,898	2,109,068
Administrative expenses		(1,625,416)	(2,036,595)
Operating profit	4	560,482	72,473
Interest receivable and similar income	6	800	3,880
Profit before taxation		561,282	76,353
Taxation	7	-	-
Profit for the financial period		561,282	76,353

The Income Statement has been prepared on the basis that all operations are continuing operations.

The County Hotel Canterbury Limited

Statement of financial position
As at 31 December 2017

	Notes	£	Period ended 31 December 2017 £	£	Period ended 1 January 2017 £
Fixed assets					
Tangible assets	8		10,194,688		10,183,245
Current assets					
Stocks	9	41,854		47,271	
Debtors	10	166,341		131,706	
Cash at bank and in hand		1,772,743		1,405,918	
		1,980,938		1,584,895	
Creditors: amounts falling due within one year	11	(493,513)		(647,309)	
Net current assets			1,487,425		937,586
Total assets less current liabilities			11,682,113		11,120,831
Capital and reserves					
Called up share capital	13		3,375,001		3,375,001
Share premium account			10,125,000		10,125,000
Profit and loss reserves			(1,817,888)		(2,379,170)
Total equity			11,682,113		11,120,831

The financial statements were approved by the board of directors and authorised for issue on 26/9/2018 and are signed on its behalf by:

Jocelyn Houghton
Director

Company Registration No. 05319043

Statement of changes in equity
For the period ended 31 December 2017

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 4 January 2016	3,375,001	10,125,000	(2,455,523)	11,044,478
Period ended 1 January 2017:				
Profit and total comprehensive income for the period	-	-	76,353	76,353
Balance at 1 January 2017	3,375,001	10,125,000	(2,379,170)	11,120,831
Period ended 31 December 2017:				
Profit and total comprehensive income for the period	-	-	561,282	561,282
Balance at 31 December 2017	3,375,001	10,125,000	(1,817,888)	11,682,113

1 Accounting policies

Company information

The County Hotel Canterbury Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Queen Square, Bath, BA1 2HA.

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.

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. The principal accounting policies adopted are set out below.

The financial statements of the company are drawn up to either a 52 or 53 week period each year which is in accordance with the company management accounts. This is in line with the Companies Act 2006 as the period end is never more than seven days before or after the year end date of 31 December each year.

The County Hotel Canterbury Limited constitutes a qualifying entity, as set out within FRS 102 Section 1 "Scope", due to it being a 100% subsidiary of Andrew Brownsword Hotels Limited, and is included within the consolidated accounts of that company, which can be located at Companies House.

As the company meets the criteria of a qualifying entity, it has taken advantage of the following exemptions available to it:

- The requirements of Section 7 "Statement of Cash Flows" and Section 3 "Financial Statement Presentation" paragraph 3.17(d);
- The requirements of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" outlined in paragraph 1.12(c); and
- The requirement of Section 33 "Related Party Disclosures" paragraph 33.7.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies (continued)

1.3 Turnover

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes or duty. The following criteria must be met before revenue is recognised:

Accommodation revenue is recognised when a room is occupied; food and beverage revenue is recognised when food and beverages are sold; sundry and other revenues, consisting of items such as room hire and car parking, are recognised at the point of sale.

1.4 Tangible fixed assets

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

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

Land and buildings freehold	Nil - 10% straight line
Land and buildings leasehold	Nil - 10% straight line
Plant and machinery	5 - 20% straight line
Fixtures, fittings & equipment	10 - 25% straight line
Computer equipment	25 - 33% straight line

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.

In accordance with normal practice in the UK hotel industry, no depreciation is provided on the company's freehold property acquired at cost. It is the company's practice to maintain its property in a continual state of sound repair and to make improvements thereto from time to time. Accordingly, the directors consider that the life of the asset and residual value, based on the price prevailing at the time of acquisition, is such that its depreciation would be insignificant.

The company has undertaken a refurbishment to the property. This expenditure is split between work to the core of the building, with nil depreciation and work to building surfaces and services, with a finite useful economic life and depreciated at rates between 5% and 10% accordingly.

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.

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.

1.6 Stocks

Stocks comprise raw materials and finished goods which are food and beverages respectively. Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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 at bank and in hand 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 statement of financial position 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, 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.

1 Accounting policies (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other 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 receipts discounted at a market rate of interest.

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. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as payable within one year are not amortised.

1 Accounting policies (continued)

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (continued)

1.10 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 income statement 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.11 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.

1.12 Retirement benefits

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the period in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the period are shown either as accruals or prepayments at the period end.

2 Critical accounting 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. 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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	Period ended 31 December 2017	Period ended 1 January 2017
	£	£
Turnover		
Hotel accommodation	2,635,436	2,477,150
Food and beverage	1,628,558	1,919,101
Sundry and other revenue	152,757	122,381
	4,416,751	4,518,632

4 Operating profit

	Period ended 31 December 2017	Period ended 1 January 2017
Operating profit for the period is stated after charging:	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	6,750	6,500
Depreciation of owned tangible fixed assets	177,041	409,191
Loss on disposal of tangible fixed assets	59,587	63,625
Cost of stocks recognised as an expense	483,199	561,618

5 Employees

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

	Period ended 31 December 2017 Number	Period ended 1 January 2017 Number
Employees	82	88

Their aggregate remuneration comprised:

	Period ended 31 December 2017 £	Period ended 1 January 2017 £
Wages and salaries	1,291,777	1,368,793
Social security costs	91,517	89,567
Pension costs	8,459	8,934
	1,391,753	1,467,294

6 Interest receivable and similar income

	Period ended 31 December 2017 £	Period ended 1 January 2017 £
Interest income		
Interest on bank deposits	800	3,880

7 Taxation

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended 31 December 2017 £	Period ended 1 January 2017 £
Profit before taxation	561,282	76,353
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (Period ended 1 January 2017: 20.00%)	108,028	15,271
Tax effect of expenses that are not deductible in determining taxable profit	4,906	49,288
Change in unrecognised deferred tax assets	(112,780)	(115,760)
Group relief	(154)	51,201
Taxation charge for the period	-	-

The company has available trading losses carried forward of £200,546 (period ended 1 January: £385,556).

8 Tangible fixed assets

	Land and buildings freehold	Land and buildings leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£	£
Cost						
At 2 January 2017	13,112,868	200,000	833,539	1,181,456	193,586	15,521,449
Additions	22,703	-	213,296	-	12,072	248,071
Disposals	(121,191)	-	(4,810)	-	-	(126,001)
At 31 December 2017	13,014,380	200,000	1,042,025	1,181,456	205,658	15,643,519
Depreciation						
At 2 January 2017	3,654,230	-	605,217	938,027	140,730	5,338,204
Charge for the period	25,496	-	53,720	78,848	18,977	177,041
On disposal	(64,130)	-	(2,284)	-	-	(66,414)
At 31 December 2017	3,615,596	-	656,653	1,016,875	159,707	5,448,831
Carrying amount						
At 31 December 2017	9,398,784	200,000	385,372	164,581	45,951	10,194,688
At 1 January 2017	9,458,638	200,000	228,322	243,429	52,856	10,183,245

9 Stocks

	Period ended 31 December 2017	Period ended 1 January 2017
	£	£
Raw materials	7,469	7,688
Finished goods	34,385	39,583
	41,854	47,271

10 Debtors

	Period ended 31 December 2017	Period ended 1 January 2017
Amounts falling due within one year:	**£**	**£**
Trade debtors	54,659	26,986
Other debtors	156	646
Prepayments and accrued income	111,526	104,074
	166,341	131,706

11 Creditors: amounts falling due within one year

	Period ended 31 December 2017	Period ended 1 January 2017
	£	**£**
Trade creditors	109,427	181,041
Other taxation and social security	179,013	193,610
Other creditors	67,085	107,713
Accruals and deferred income	137,988	164,945
	493,513	647,309

12 Retirement benefit schemes

	Period ended 31 December 2017	Period ended 1 January 2017
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	8,459	8,934

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

13 Share capital

	Period ended 31 December 2017	Period ended 1 January 2017
	£	£
Ordinary share capital		
Issued and fully paid		
13,500,004 Ordinary shares of 25p each	3,375,001	3,375,001
	3,375,001	3,375,001

Shares rank equally for voting purposes. On a show of hands, each member shall have one vote and on a poll each member shall have one vote per share held.

14 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £50,348 (period ended 1 January 2017: £135,000).

15 Controlling party

The company's ultimate controlling parent company is Andrew Brownsword Hotels Limited, which is incorporated in England and Wales. The company's ultimate controlling party is Andrew Brownsword, by virtue of his shareholding in the ultimate parent company.

16 Related party transactions

No guarantees have been given or received.

The company has taken advantage of the exemption available in FRS 102 section 33 "Related Party Disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Andrew Brownsword owns and controls both the ultimate parent company and The Bath Priory Limited. During the period, The Bath Priory Limited made purchases from The County Hotel Canterbury Limited totalling £2,911 (period ended 1 January 2017: £5,859) and sales to The County Hotel Canterbury Limited totalling £1,316 (period ended 1 January 2017: £1,268). A balance of £1,406 (period ended 1 January 2017: £233) was due to The Bath Priory Limited at the period end.

Andrew Brownsword also owns and controls Paxton & Whitfield Limited. During the period to 31 December 2017, Paxton & Whitfield Limited made sales of £4,346 (period ended 1 January 2017: £2,983) to The County Hotel Canterbury Limited. A balance of £337 (period ended 1 January 2017: £374) was outstanding at the period end.

The County Hotel Canterbury Limited is a wholly owned subsidiary of Andrew Brownsword Hotels Limited. As at period end, The County Hotel Canterbury Limited owed Andrew Brownsword Hotels Limited £35,411 (period ended 1 January 2017: £34,503) in relation trading purchases and £204 (period ended 1 January 2017: £130) was owing from Andrew Brownsword Hotels Limited.

Andrew Brownsword Hotels Limited owns and controls The Chester Abode Limited. As at period end, The County Hotel Canterbury Limited owed The Chester Abode Limited £401 (period ended 1 January 2017: £nil) in relation to trading purchases.

Andrew Brownsword Hotels Limited owns and controls The Manchester Abode Limited. As at period end, The County Hotel Canterbury Limited owed The Manchester Abode Limited £159 (period ended 1 January 2017: £130) in relation to trading purchases.