

Registered number: 05500642

FANHAMS HALL HOTEL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 26 MARCH 2014



FANHAMS HALL HOTEL LIMITED

COMPANY INFORMATION

Directors	G Pecorelli D L E Pecorelli J Tomlin (appointed 1 June 2013)
Company secretary	C Davies
Registered number	05500642
Registered office	Executive Office Pennyhill Park Hotel & Spa Bagshot Surrey GU19 5EU
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Solicitors	Neale Turk Bridge House 27 - 31 Reading Road South Fleet Hampshire GU13 9QP

FANHAMS HALL HOTEL LIMITED

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FANHAMS HALL HOTEL LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 26 MARCH 2014

The directors present their report and the financial statements for the period ended 26 March 2014.

Principal activities

The principal activity of the company is the ownership and operation of Fanhams Hall Hotel, Hertfordshire.

Review of business

Fanhams Hall is benefiting from the expansion of the Venues brand with Royal Berkshire Hotel. Fanhams Hall continues to work well within our venues model.

Results and dividends

The profit for the period, after taxation, amounted to £478,683 (2013 - £500,877).

The directors have not declared or paid a dividend for the period (2013 - £nil).

Directors

The directors who served during the period were:

G Pecorelli
D L E Pecorelli
J Tomlin (appointed 1 June 2013)

Provision of information to auditor


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

and signed on its behalf.



D L E Pecorelli
Director

12th / Sept 114

FANHAMS HALL HOTEL LIMITED

DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

FANHAMS HALL HOTEL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FANHAMS HALL HOTEL LIMITED

We have audited the financial statements of Fanhams Hall Limited for the period ended 26 March 2014 which comprise the profit and loss account, the balances sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 26 March 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

FANHAMS HALL HOTEL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FANHAMS HALL HOTEL LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and the exemption from the requirement to prepare a strategic report.

BDO LLP

Stuart Collins (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: **19 September 2014**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FANHAMS HALL HOTEL LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 26 MARCH 2014

	Note	2014 £	2013 £
TURNOVER		4,398,549	4,414,174
Cost of sales		<u>(763,159)</u>	<u>(732,634)</u>
GROSS PROFIT		3,635,390	3,681,540
Administrative expenses		<u>(2,903,983)</u>	<u>(2,838,921)</u>
OPERATING PROFIT	2	731,407	842,619
Interest payable and similar charges		<u>(69,842)</u>	<u>(101,759)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		661,565	740,860
Tax on profit on ordinary activities	3	<u>(182,882)</u>	<u>(239,983)</u>
PROFIT FOR THE FINANCIAL PERIOD	11,	<u>478,683</u>	<u>500,877</u>

The notes on pages 7 to 12 form part of these financial statements.


FANHAMS HALL HOTEL LIMITED
REGISTERED NUMBER: 05500642

BALANCE SHEET
AS AT 26 MARCH 2014

	Note	£	26 March 2014 £	£	27 March 2013 £
FIXED ASSETS					
Intangible assets	4		1,408,430		1,625,097
Tangible assets	5		5,234,287		5,092,426
			<u>6,642,717</u>		<u>6,717,523</u>
CURRENT ASSETS					
Stocks		12,572		11,056	
Debtors: amounts falling due after more than one year	6	3,861,538		3,861,538	
Debtors: amounts falling due within one year	6	296,682		291,992	
Cash at bank and in hand		988,038		760,247	
		<u>5,158,830</u>		<u>4,924,833</u>	
CREDITORS: amounts falling due within one year	7	<u>(1,871,585)</u>		<u>(1,876,832)</u>	
NET CURRENT ASSETS			<u>3,287,245</u>		<u>3,048,001</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,929,962</u>		<u>9,765,524</u>
CREDITORS: amounts falling due after more than one year	8		<u>(6,921,248)</u>		<u>(7,212,227)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	9		<u>(152,948)</u>		<u>(176,214)</u>
NET ASSETS			<u>2,855,766</u>		<u>2,377,083</u>
CAPITAL AND RESERVES					
Called up share capital	10		2,000,000		2,000,000
Profit and loss account	11		855,766		377,083
SHAREHOLDERS' FUNDS			<u>2,855,766</u>		<u>2,377,083</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


D L E Pecorelli
 Director
 12th / Sept / 14

The notes on pages 7 to 12 form part of these financial statements.

FANHAMS HALL HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover represents amounts receivable for accommodation, food and beverage sales and ancillary hotel services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised at the point at which goods and services are delivered to the customer. All turnover arises in the United Kingdom.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

The directors have determined that goodwill is to be amortised over 15 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	12.5% reducing balance
Fixtures, fittings and equipment	-	12.5% - 20% straight line

Freehold buildings are maintained to ensure that their value does not diminish over time and maintenance costs are charged to the profit and loss account in the period incurred. In the directors opinion, the high level of maintenance ensures that the residual value of the buildings is such that depreciation would be immaterial and consequently has not been charged. The buildings are reviewed for impairment at the end of each reporting period.

1.6 Stocks

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

FANHAMS HALL HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

1.9 Related party disclosure

As a subsidiary undertaking of The Manor House (Castle Combe) Limited, the company has taken advantage of the exemption under FRS 8: "Related Party Disclosures" not to disclose transactions with other members of the group.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2014 £	2013 £
Amortisation - intangible fixed assets	216,667	216,667
Depreciation of tangible fixed assets:		
- owned by the company	277,688	272,777
Auditor's remuneration	8,700	8,600
Pension costs	9,467	15,219

During the period, no director received any emoluments (2013 - £NIL).

FANHAMS HALL HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2014**

3. TAXATION

	2014 £	2013 £
Analysis of tax charge in the period		
Current tax		
UK corporation tax charge on profit for the period	212,763	258,458
Adjustments in respect of prior periods	(6,615)	8,173
Total current tax	<u>206,148</u>	<u>266,631</u>
Deferred tax		
Origination and reversal of timing differences	(5,699)	(18,986)
Adjustments in respect of prior periods	6,230	-
Effect of changes in tax rates	(23,797)	(7,662)
Total deferred tax (see note 9)	<u>(23,266)</u>	<u>(26,648)</u>
Tax on profit on ordinary activities	<u><u>182,882</u></u>	<u><u>239,983</u></u>

Factors that may affect future tax charges

See note 9 for explanation of movements on deferred tax. Reductions to the UK corporation tax rate were announced in the March 2013 budget. The changes, which were substantively enacted on 2 July 2013, reduce the UK corporation tax rate to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015. These reductions will reduce the company's future tax charge accordingly. The deferred tax liability as at 26 March 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date. There were no other factors that may affect future tax charges.

4. INTANGIBLE FIXED ASSETS

	Intellectual property £	Goodwill £	Total £
Cost			
At 28 March 2013 and 26 March 2014	99	3,250,000	3,250,099
Amortisation			
At 28 March 2013	-	1,625,002	1,625,002
Charge for the period	-	216,667	216,667
At 26 March 2014	-	1,841,669	1,841,669
Net book value			
At 26 March 2014	<u>99</u>	<u>1,408,331</u>	<u>1,408,430</u>
At 27 March 2013	<u>99</u>	<u>1,624,998</u>	<u>1,625,097</u>

FANHAMS HALL HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2014**

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Fixtures, fittings and equipment £	Total £
Cost				
At 28 March 2013	3,182,984	2,692,229	1,127,119	7,002,332
Additions	107,482	109,827	202,240	419,549
At 26 March 2014	<u>3,290,466</u>	<u>2,802,056</u>	<u>1,329,359</u>	<u>7,421,881</u>
Depreciation				
At 28 March 2013	-	1,555,722	354,184	1,909,906
Charge for the period	-	156,353	121,335	277,688
At 26 March 2014	<u>-</u>	<u>1,712,075</u>	<u>475,519</u>	<u>2,187,594</u>
Net book value				
At 26 March 2014	<u>3,290,466</u>	<u>1,089,981</u>	<u>853,840</u>	<u>5,234,287</u>
At 27 March 2013	<u>3,182,984</u>	<u>1,136,507</u>	<u>772,935</u>	<u>5,092,426</u>

6. DEBTORS

	26 March 2014 £	27 March 2013 £
Due after more than one year		
Amounts owed by group undertakings	<u>3,861,538</u>	<u>3,861,538</u>
Due within one year		
Trade debtors	218,804	226,589
Prepayments and accrued income	16,108	9,810
Other debtors	61,770	55,593
	<u>296,682</u>	<u>291,992</u>

FANHAMS HALL HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2014**

7. CREDITORS:

Amounts falling due within one year

	26 March 2014 £	27 March 2013 £
Bank loans	139,201	105,603
Trade creditors	195,668	218,525
Corporation tax	213,015	258,646
Other taxation and social security	187,594	187,860
Accruals & deferred income	1,017,087	1,019,613
Other creditors	119,020	86,585
	<u>1,871,585</u>	<u>1,876,832</u>

8. CREDITORS:

Amounts falling due after more than one year

	26 March 2014 £	27 March 2013 £
Bank loans	2,039,517	2,323,881
Amounts owed to group undertakings	4,881,731	4,888,346
	<u>6,921,248</u>	<u>7,212,227</u>

The bank loan is repayable in quarterly instalments commencing in June 2012, with the remaining balance being repayable in March 2016. The loan incurs interest at a floating rate of LIBOR plus a variable margin of between 1.875% and 2.75% per annum.

9. DEFERRED TAXATION

	26 March 2014 £	27 March 2013 £
At beginning of period	176,214	202,862
Released during period	(29,496)	(26,648)
Adjustments in respect of prior periods	6,230	-
	<u>152,948</u>	<u>176,214</u>

The provision for deferred taxation is made up as follows:

	26 March 2014 £	27 March 2013 £
Accelerated capital allowances	153,108	176,214
Short term timing differences	(160)	-
	<u>152,948</u>	<u>176,214</u>

FANHAMS HALL HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2014

10. SHARE CAPITAL

	26 March 2014 £	27 March 2013 £
Allotted, called up and fully paid		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>

11. RESERVES

	Profit and loss account £
At 28 March 2013	377,083
Profit for the financial period	<u>478,683</u>
At 26 March 2014	<u>855,766</u>

12. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,467 (2013 - £15,219). Contributions totalling £802 were payable (2013 - £736) to the fund at the balance sheet date.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company and controlling party is The Manor House (Castle Combe) Limited, a company registered in England and Wales. This is also the largest and smallest group in which the results of the Company are consolidated. Copies of the group financial statements of The Manor House Hotel (Castle Combe) Limited are available from Executive Office, Pennyhill Park Hotel & Spa, London Road, Bagshot, Surrey GU19 5EU.

Mr G Pecorelli, a director of the company, and his family control 100% of the issued share capital of The Manor House (Castle Combe) Limited.