

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2020
for
Batty Langley's Limited**

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for the Year Ended 30 April 2020**

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Batty Langley's Limited

**Company Information
for the Year Ended 30 April 2020**

DIRECTORS:

Mr D E Blain
Mr P B McKay
Mrs C M A Conaty
Mr M E C Hearne

SECRETARY:

Mrs C M A Conaty

REGISTERED OFFICE:

12 Peter's Lane
Cowcross Street
London
EC1M 6DS

REGISTERED NUMBER:

05996625 (England and Wales)

AUDITORS:

Clifford Roberts - Statutory Auditor
63 Broad Green
Wellingborough
Northamptonshire
NN8 4LQ

**Strategic Report
for the Year Ended 30 April 2020**

The directors present their strategic company report for the period ended 30 April 2020.

Review of the business

The company owns and operates a boutique hotel in central London. The hotel is well positioned in the City and falls into the Luxury category, competing with both branded and non-branded hotels in the 4 and 5 star market.

The property is a traditional boutique hotel; the primary source of revenue is generated through bedroom sales with ancillary sales of food & beverage and meeting room hire.

Results and performance

The directors are satisfied with the results for the year, as set out on pages 8 onwards. The COVID-19 pandemic has had, and is expected to continue to have, a material impact on our business, results of operations, financial position, and cash flows. The directors were pleased with the increases in turnover seen prior to COVID-19 pandemic. Unsurprisingly, occupancy rates reduced during March 2020 as COVID-19 spread in London, culminating in the government-mandated closure of the hotels due to the national lockdown. During the lockdown, the group provided accommodation to NHS key workers in support of the national effort.

The company profit before tax increased to £178,371 (2019: £84,180). The shareholders' funds total (£405,941) (2019: (£584,312))

Business environment

The London hotel market is highly competitive with multiple alternative accommodation options. Availability and rates are quite transparent due to the presence of online travel agents, which make it easier for the consumer to shop around.

Strategy:

Our success is dependent on occupancy and room rate. Bedrooms are essentially a perishable product so our aim is to maximise occupancy without compromising on room rate.

Key performance indicators ('KPIs')

We made progress throughout the year until the COVID-19 pandemic in relation to the key elements of our strategy. The board monitor the progress of the group by reference to the following KPIs:

Turnover £1,901,202 (2019: £2,029,606)

Principal risks and uncertainties

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the directors are implemented by the finance department.

Price Risk

The group is exposed to price risk due to normal inflationary increases in the purchase price of goods and services in the UK.

Credit Risk

The company has implemented policies that require appropriate credit checks where necessary on potential corporate customers before sales are made.

**Strategic Report
for the Year Ended 30 April 2020**

Liquidity Risk

The company holds long-term debt finance that is designed to ensure the company has sufficient funds for operations.

Interest rate Risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances which earn interest at variable rates. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature.

Going Concern and COVID-19

Operationally, the impact of the pandemic and measures to prevent further spread continue to disrupt our business. As at the date of signing the accounts, the disruption to the UK and world economy continues in response to the COVID-19 virus, though the impact is highly likely to reduce during 2021 as vaccine roll-outs continue. Although it is not possible to predict the full impact that COVID-19 will have on the Company, it is safe to say that, by encouraging or requiring people to stay at home, the measures needed to control the pandemic have hit the hospitality sector harder than many other parts of the economy. The Company's management has worked closely with its bankers and shareholders to ensure the business has continued access to capital until the vaccination programme is sufficiently advanced to enable a return to profitability. Further restructuring and cost saving have also been undertaken.

The hotel briefly reopened for a period of time when permitted by local lockdown requirements. Management were consistently monitoring their occupancy rates, which have showed a steady increase, and the industry average demand in London. Both were still well below normal levels. The expectation is that the hotel will reopen again in 2021 once the vaccination programme is sufficiently advanced to allow lockdown restrictions to be eased again and more people can travel to London safely.

The directors cannot predict when national lockdown and wider travel restrictions will be eased and therefore when operations will return, or when exactly they will return to normal, but they are confident that 2021 will be characterised by a slow improvement in trading towards more normal levels as vaccines allow the UK and Europe to begin to emerge from their rolling lockdowns.

Based on the above indications the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. This is based partly on the company's on-balance sheet liquidity and our relationship with our bankers, and behind that on the knowledge that the owners stand ready to support the business until recovery should that be required.

The further information, please see note 1 in the Accounting policies section of the financial statements

ON BEHALF OF THE BOARD:

Mrs C M A Conaty - Secretary

30 March 2021

**Report of the Directors
for the Year Ended 30 April 2020**

The directors present their report with the financial statements of the company for the year ended 30 April 2020.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2019 to the date of this report.

Mr D E Blain
Mr P B McKay
Mrs C M A Conaty
Mr M E C Hearne

FINANCIAL INSTRUMENTS

Principal risks and uncertainties

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the directors are implemented by the finance department.

Price Risk

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The company has implemented policies that require appropriate credit checks where necessary on potential corporate customers before sales are made.

Liquidity Risk

The company holds long-term debt finance that is designed to ensure the company has sufficient funds for operations.

Interest Rate Risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances which earn interest at variable rates. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Future Developments

The London hotel industry continues to be buoyant and the aim is to maintain the hotels high standards to ensure that it appeals to customers. Continuing to develop the awareness of the hotel to the public.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

**Report of the Directors
for the Year Ended 30 April 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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 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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Clifford Roberts - Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs C M A Conaty - Secretary

30 March 2021

Report of the Independent Auditors to the Members of Batty Langley's Limited

Opinion

We have audited the financial statements of Batty Langley's Limited (the 'company') for the year ended 30 April 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, 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 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 company's affairs as at 30 April 2020 and of its 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 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 in the 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 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 the audit:

- the information given in the 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 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 Batty Langley's Limited

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 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, 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 Statement of Directors' Responsibilities set out on page five, 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 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.

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.

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.

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.

Liam O'Malley FCA (Senior Statutory Auditor)
for and on behalf of Clifford Roberts - Statutory Auditor
63 Broad Green
Wellingborough
Northamptonshire
NN8 4LQ

30 March 2021

**Statement of Comprehensive Income
for the Year Ended 30 April 2020**

	Notes	2020 £	2019 £
TURNOVER	3	1,901,202	2,029,606
Cost of sales		<u>390,128</u>	<u>414,641</u>
GROSS PROFIT		1,511,074	1,614,965
Administrative expenses		<u>1,072,862</u>	<u>1,274,614</u>
		438,212	340,351
Other operating income		<u>41,872</u>	<u>4,747</u>
OPERATING PROFIT	5	480,084	345,098
Interest receivable and similar income		<u>3,094</u>	<u>1,356</u>
		483,178	346,454
Interest payable and similar expenses	6	<u>232,478</u>	<u>239,615</u>
PROFIT BEFORE TAXATION		250,700	106,839
Tax on profit	7	<u>72,329</u>	<u>22,659</u>
PROFIT FOR THE FINANCIAL YEAR		178,371	84,180
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		178,371	84,180

Balance Sheet
30 April 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	8		8,519,277		8,701,290
Long term group loans	9		<u>108,230</u>		<u>145,243</u>
			8,627,507		8,846,533
CURRENT ASSETS					
Stocks	10	7,119		6,772	
Debtors	11	27,631		230,077	
Cash at bank and in hand		<u>323,318</u>		<u>358,340</u>	
		358,068		595,189	
CREDITORS					
Amounts falling due within one year	12	<u>161,602</u>		<u>347,898</u>	
NET CURRENT ASSETS			<u>196,466</u>		<u>247,291</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,823,973		9,093,824
CREDITORS					
Amounts falling due after more than one year	13		(9,030,881)		(9,504,215)
PROVISIONS FOR LIABILITIES	14		<u>(199,033)</u>		<u>(173,921)</u>
NET LIABILITIES			<u>(405,941)</u>		<u>(584,312)</u>
CAPITAL AND RESERVES					
Called up share capital	15		100		100
Retained earnings	16		<u>(406,041)</u>		<u>(584,412)</u>
SHAREHOLDERS' FUNDS			<u>(405,941)</u>		<u>(584,312)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2021 and were signed on its behalf by:

Mrs C M A Conaty - Director

**Statement of Changes in Equity
for the Year Ended 30 April 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2018	100	(668,592)	(668,492)
Changes in equity			
Total comprehensive income	-	84,180	84,180
Balance at 30 April 2019	100	(584,412)	(584,312)
Changes in equity			
Total comprehensive income	-	178,371	178,371
Balance at 30 April 2020	100	(406,041)	(405,941)

**Notes to the Financial Statements
for the Year Ended 30 April 2020**

1. STATUTORY INFORMATION

Batty Langley's 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 Company Information page.

The nature of the company's operations and its principal activity are set out in the Strategic report on page 2

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include deferred taxation and the estimated useful economic life and residual value of the freehold property.

Revenue

Turnover, which excludes value added tax, represents the invoiced value of goods and services where the right to consideration has been obtained and is derived from ordinary activities.

Tangible fixed assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, of each asset over its expected useful life as follows:

Furniture, Fixtures and Fittings	- 5% per annum on cost
Plant and Machinery	- 5% per annum on cost
Equipment	- 20% per annum on cost
Freehold land & Buildings & improvements	- 250 years on cost less residual value

Direct costs associated with the acquisition, planning and construction of the hotel were capitalised.

The building was constructed in the 18th century, is Grade 2 and 2 star listed and the company has an obligation to maintain the building to a high standard in order to comply with English Heritage legislation and also to meet the high expectations of the clientèle. On this basis the directors believe that the period of consumption is at least 250 years as there are no underlying reasons to suggest that the property or its function will become obsolete due to either economic or technological advances in the future.

The directors have therefore decided that it would be prudent to depreciate the property over a period of no less than 250 years. The depreciation has therefore been calculated on cost from the date the company commenced trading less the residual value over 250 years.

The property is systematically tested for impairment at the end of each reporting period.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2020**

2. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the assets. Where Grants are received or receivable with no performance related conditions they are recognised immediately to income.

Stocks

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

Taxation

Current tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

The ability of the company to continue as a going concern is dependant on continued support from Hazlitt's Soho Limited, a group company. The directors have received assurances that such support will continue for the foreseeable future and therefore consider the going concern assumption to be reasonable.

Based on forecasts and projections, together with available market information and the directors' knowledge and experience of the industry. The director has reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Accordingly the company continues to adopt the going concern basis in preparing the annual financial statements.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2020**

2. ACCOUNTING POLICIES - continued

Debtors and creditors

Short term debtors are measured at transaction price, less any impairment.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

3. TURNOVER

The turnover is attributable to the principal activity of the company. All turnover arose within the United Kingdom.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2020**

4. EMPLOYEES AND DIRECTORS

	2020	2019
£	£	
Wages and Salaries	482,486	490,979
Social security costs	39,090	39,680
Pension costs	6,560	5,182
	<u>528,136</u>	<u>535,841</u>

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

	2020	2019
£	£	
Hotel	24	24
	<u>24</u>	<u>24</u>

The company operates a defined contribution benefit schemes for all qualifying employees.

	2020	2019
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	182,013	182,011
Auditors' remuneration	<u>15,500</u>	<u>15,500</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Group loan interest	<u>232,478</u>	<u>239,615</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020 £	2019 £
Current tax:		
UK corporation tax	47,217	6,831
Deferred tax	25,112	15,828
Tax on profit	<u>72,329</u>	<u>22,659</u>

UK corporation tax has been charged at 19% .

Reconciliation of total tax charge included in profit and loss

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

	2020 £	2019 £
Profit before tax	<u>250,700</u>	<u>106,839</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	47,633	20,299
Effects of:		
Expenses not deductible for tax purposes	14	-
Depreciation in excess of capital allowances	4,221	4,222
Origination and reversal of timing differences	20,461	(1,862)
Total tax charge	<u>72,329</u>	<u>22,659</u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, Machinery and Equipment £	Furniture, Fixtures and Fittings £	Totals £
COST				
At 1 May 2019 and 30 April 2020	<u>6,585,425</u>	<u>293,762</u>	<u>2,550,151</u>	<u>9,429,338</u>
DEPRECIATION				
At 1 May 2019	88,874	129,144	510,030	728,048
Charge for year	<u>22,219</u>	<u>32,286</u>	<u>127,508</u>	<u>182,013</u>
At 30 April 2020	<u>111,093</u>	<u>161,430</u>	<u>637,538</u>	<u>910,061</u>
NET BOOK VALUE				
At 30 April 2020	<u>6,474,332</u>	<u>132,332</u>	<u>1,912,613</u>	<u>8,519,277</u>
At 30 April 2019	<u>6,496,551</u>	<u>164,618</u>	<u>2,040,121</u>	<u>8,701,290</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

8. **TANGIBLE FIXED ASSETS - continued**

Included in cost of land and buildings is freehold land of £1,000,000 (2019 - £1,000,000) which is not depreciated.

The tangible assets of the company are pledged as security for bank loans within the group.

9. **LONG TERM GROUP LOANS**

	2020 £	2019 £
Balance brought forward	145,243	-
Movement in year	(37,013)	145,243
Balance carried forward	<u>108,230</u>	<u>145,243</u>

10. **STOCKS**

	2020 £	2019 £
Stocks	<u>7,119</u>	<u>6,772</u>

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade	9,505	72,636
Other	-	415
Prepayments	<u>18,126</u>	<u>157,026</u>
	<u>27,631</u>	<u>230,077</u>

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade	7,445	149,349
Corporation tax	47,217	6,831
VAT	33,807	74,176
Other	15,881	42,452
Accrued expenses	<u>57,252</u>	<u>75,090</u>
	<u>161,602</u>	<u>347,898</u>

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Amounts owed to group undertakings	<u>9,030,881</u>	<u>9,504,215</u>

14. **PROVISIONS FOR LIABILITIES**

	2020 £	2019 £
Deferred tax	<u>199,033</u>	<u>173,921</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

14. **PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 May 2019	173,921
Accelerated capital allowances	25,112
Balance at 30 April 2020	<u>199,033</u>

15. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

16. **RESERVES**

	Retained earnings £
At 1 May 2019	(584,412)
Profit for the year	178,371
At 30 April 2020	<u>(406,041)</u>

17. **ULTIMATE PARENT COMPANY**

The ultimate parent company is Hazlitt's Hotels Limited which owns a 100% of the share capital. Hazlitt's Hotels Limited is a company registered in England and Wales and its registered office is 12 Peter's Lane Cowcross Street, London.

18. **RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption in the Financial Reporting Standard 102 "Related Party Disclosures" for a wholly owned subsidiary company not to disclose transactions with other members of the wholly owned group headed by Hazlitt's Hotels Limited as the consolidated financial statements of Hazlitt's Hotels Limited are publicly available.

19. **BANKING COMMITMENTS**

The company is party to a cross composite bank guarantee with other subsidiaries of Hazlitt's Hotels Limited. The assets of the company are therefore subject to a charge to secure the bank loans of the group companies.

20. **LOANS AND BORROWINGS**

Amounts owed to group undertakings are unsecured. Interest of 2.5% per annum is charged on the amounts owed.

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.