

**EUROSTUDIES (BOURNEMOUTH) LIMITED  
FILLETED UNAUDITED FINANCIAL STATEMENTS  
YEAR ENDED  
31 OCTOBER 2019**

**BRETT PITTWOOD  
Chartered Certified Accountants**

**EUROSTUDIES (BOURNEMOUTH) LIMITED**  
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**EUROSTUDIES (BOURNEMOUTH) LIMITED**  
**Company Information**

**Director** E J P Taylor

**Company secretary** A Ribeiro

**Registered office** 97 Commercial Road  
Bournemouth  
Dorset  
BH2 5RT

**Accountants** Brett Pittwood  
Chartered Certified Accountants  
Suite 8 Bourne Gate  
25 Bourne Valley Road  
Poole  
Dorset  
BH12 1DY

**EUROSTUDIES (BOURNEMOUTH) LIMITED****(Registration number: 06409192)****Balance Sheet as at 31 October 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	2,740,714	1,754,836
Investments	<u>5</u>	501	501
		<u>2,741,215</u>	<u>1,755,337</u>
<b>Current assets</b>			
Debtors	<u>6</u>	76,881	61,118
Cash at bank and in hand		<u>2,429</u>	<u>6,813</u>
		79,310	67,931
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(379,265)</u>	<u>(292,793)</u>
<b>Net current liabilities</b>		<u>(299,955)</u>	<u>(224,862)</u>
<b>Total assets less current liabilities</b>		2,441,260	1,530,475
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(1,274,370)</u>	<u>(1,326,751)</u>
<b>Provisions for liabilities</b>		<u>(137,151)</u>	<u>(1,210)</u>
<b>Net assets</b>		<u>1,029,739</u>	<u>202,514</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Revaluation reserve		863,126	-
Profit and loss account		<u>166,513</u>	<u>202,414</u>
<b>Total equity</b>		<u>1,029,739</u>	<u>202,514</u>

For the financial year ending 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 23 July 2020

E J P Taylor  
Director

# **EUROSTUDIES (BOURNEMOUTH) LIMITED**

## **Notes to the Financial Statements for the Year Ended 31 October 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

97 Commercial Road

Bournemouth

Dorset

BH2 5RT

United Kingdom

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling which is the functional currency of the company. Monetary amounts are rounded to the nearest pound.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

## **EUROSTUDIES (BOURNEMOUTH) LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	2% straight line basis
Furniture and equipment	25% reducing balance basis
Computer equipment	33% straight line basis

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **EUROSTUDIES (BOURNEMOUTH) LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

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 current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## **EUROSTUDIES (BOURNEMOUTH) LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **Financial instruments**

##### ***Classification***

###### **Financial assets**

###### **Basic financial assets**

Basic financial assets, which include trade 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.

###### **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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

###### **Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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

#### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 4 (2018 - 4).



**EUROSTUDIES (BOURNEMOUTH) LIMITED****Notes to the Financial Statements for the Year Ended 31 October 2019****4 Tangible assets**

	<b>Land and buildings £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 November 2018	1,874,759	40,908	1,915,667
Revaluations	869,741	-	869,741
At 31 October 2019	2,744,500	40,908	2,785,408
<b>Depreciation</b>			
At 1 November 2018	129,765	31,066	160,831
Charge for the year	10,399	3,229	13,628
Revaluation adjustment	(129,765)	-	(129,765)
At 31 October 2019	10,399	34,295	44,694
<b>Carrying amount</b>			
At 31 October 2019	2,734,101	6,613	2,740,714
At 31 October 2018	1,744,994	9,842	1,754,836

**Revaluation**

The fair value of the company's Land and buildings was revalued on 31 October 2019. An independent valuer was not involved.

The basis of the valuation was open market value.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £1,739,485 (2018 - £1,744,994).

**EUROSTUDIES (BOURNEMOUTH) LIMITED****Notes to the Financial Statements for the Year Ended 31 October 2019****5 Investments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	<u>501</u>	<u>501</u>
<b>Subsidiaries</b>		<b>£</b>
<b>Cost or valuation</b>		
At 1 November 2018		<u>501</u>
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 October 2019		<u>501</u>
At 31 October 2018		<u>501</u>

**Details of undertakings**

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<b>Undertaking</b>	<b>Registered office</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
			<b>2019</b>	<b>2018</b>
<b>Subsidiary undertakings</b>				
Eurostay	97 Commercial Road Bournemouth Dorset BH2 5RT England and Wales	Ordinary	51%	51%

The principal activity of Eurostay is Hotel

**6 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	41,941	27,395
Prepayments	9,403	9,403
Other debtors	<u>25,537</u>	<u>24,320</u>
	<u>76,881</u>	<u>61,118</u>

**EUROSTUDIES (BOURNEMOUTH) LIMITED****Notes to the Financial Statements for the Year Ended 31 October 2019****7 Creditors****Creditors: amounts falling due within one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due within one year</b>			
Bank loans and overdrafts	<u>8</u>	144,547	139,825
Trade creditors		3,472	4,886
Taxation and social security		10,626	2,057
Other creditors		<u>220,620</u>	<u>146,025</u>
		<u>379,265</u>	<u>292,793</u>

**Creditors: amounts falling due after more than one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>1,274,370</u>	<u>1,326,751</u>

**8 Loans and borrowings**

	<b>2019 £</b>	<b>2018 £</b>
<b>Non-current loans and borrowings</b>		
Bank borrowings	559,884	612,265
Redeemable preference shares	<u>714,486</u>	<u>714,486</u>
	<u>1,274,370</u>	<u>1,326,751</u>

	<b>2019 £</b>	<b>2018 £</b>
<b>Current loans and borrowings</b>		
Bank borrowings	51,339	46,618
Other borrowings	<u>93,208</u>	<u>93,207</u>
	<u>144,547</u>	<u>139,825</u>

## **EUROSTUDIES (BOURNEMOUTH) LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **9 Related party transactions**

##### **Summary of transactions with related parties**

During the year the company received and rent from its subsidiary company, Eurostay (UK) Limited amounting to £20,000, additionally expenses were paid on behalf of this company. At the balance sheet date £79,470 was owed to Eurostay (UK) Limited..

At the balance sheet date the company owed £3,031 to its subsidiary company, Eurotek Solutions Limited as a result of expenses paid for this entity.

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