

Registered number  
6456130

# AUDLEYS WOOD HOTEL LIMITED

## Report and Accounts

28 November 2013



**AUDLEYS WOOD HOTEL LIMITED**  
**Report and accounts**  
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**AUDLEYS WOOD HOTEL LIMITED**  
**Company Information**

**Directors**

K Arkley  
J Hands

**Secretary**

Jordans Company Secretaries Limited

**Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Registered office**

The Old Library  
The Drive  
Sevenoaks  
Kent  
TN13 3AB

**Registered number**

6456130

## **AUDLEYS WOOD HOTEL LIMITED**

**Registered number:** 6456130

### **Directors' Report**

The directors present their report and accounts for the period ended 28 November 2013.

#### **Principal activities**

The company's principal activity during the period was the ownership and operation of the Audleys Wood Hotel.

#### **Business review**

The results for the period and financial position of the company are as shown in the annexed financial statements. The directors are optimistic as to the future success of the company.

#### **Dividends**

No dividends were paid during the period ended 28 November 2013 (2012 £Nil).

#### **Directors**

The following persons served as directors during the period:

K Arkley  
J Hands

#### **Directors' responsibilities statement**

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 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.

# **AUDLEYS WOOD HOTEL LIMITED**

**Registered number:** 6456130

## **Directors' Report**


### **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 their report and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 21 May 2014



J Hands  
Director

**AUDLEYS WOOD HOTEL LIMITED**  
**Independent auditor's report**  
**to the members of AUDLEYS WOOD HOTEL LIMITED**

We have audited the financial statements of Audleys Wood Hotel Limited for the period ended 28 November 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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](http://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 28 November 2013 and of its loss 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.

**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.

**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 director's report in accordance with the small companies' regime and 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  
22 May 2014

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

**AUDLEYS WOOD HOTEL LIMITED**  
**Profit and Loss Account**  
**for the period from 30 November 2012 to 28 November 2013**

	Notes	2013 £	2012 £
Turnover		3,087,259	3,099,364
Cost of sales		(671,077)	(686,086)
<b>Gross profit</b>		<u>2,416,182</u>	<u>2,413,278</u>
Administrative expenses		(2,381,471)	(2,270,844)
<b>Operating profit</b>	2	<u>34,711</u>	<u>142,434</u>
Interest payable and similar charges	4	(482,563)	(470,172)
<b>Loss on ordinary activities before taxation</b>		<u>(447,852)</u>	<u>(327,738)</u>
Tax on loss on ordinary activities	5	-	-
<b>Loss for the period</b>	13	<u>(447,852)</u>	<u>(327,738)</u>

**Continuing operations**

All results are derived from continuing operations.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the loss for the above two periods.

**AUDLEYS WOOD HOTEL LIMITED**  
**Balance Sheet**  
**as at 28 November 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Intangible assets	6	7	7
Tangible assets	7	12,469,890	12,731,089
Investments	8	6	6
		<u>12,469,903</u>	<u>12,731,102</u>
<b>Current assets</b>			
Stocks	9	17,870	18,620
Debtors	10	233,359	222,215
Cash at bank and in hand		54,357	260,484
		<u>305,586</u>	<u>501,319</u>
<b>Creditors: amounts falling due within one year</b>	11	(16,087,683)	(16,096,763)
<b>Net current liabilities</b>		<u>(15,782,097)</u>	<u>(15,595,444)</u>
<b>Total assets less current liabilities</b>		<u>(3,312,194)</u>	<u>(2,864,342)</u>
<b>Net liabilities</b>		<u>(3,312,194)</u>	<u>(2,864,342)</u>
<b>Capital and reserves</b>			
Called up share capital	12	2	2
Profit and loss account	13	(3,312,196)	(2,864,344)
<b>Shareholders' funds</b>	14	<u>(3,312,194)</u>	<u>(2,864,342)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 May 2014



J Hands  
Director



# AUDLEYS WOOD HOTEL LIMITED

## Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and preceding period.

#### ***Basis of accounting***

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

#### ***Basis of preparation: going concern***

The Company reports net current liabilities, net liabilities and losses for the period. The parent company has indicated that it will continue to provide financial support as necessary for the foreseeable future to ensure the Company can meet all liabilities as they fall due. On this basis the directors are satisfied that it is appropriate to prepare these accounts on a going concern basis.

#### ***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. Deposits which have been received at the balance sheet date for which services have not yet been provided are shown as payments in advance within creditors.

#### ***Goodwill***

Positive goodwill arising on acquisition is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its economic life up to a presumed maximum of 20 years.

#### ***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings core	50 years
Freehold buildings surface finishes and services	20 years
Fixtures and fittings	4 to 25 years

#### ***Stocks***

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

#### ***Cash flow statement***

Under the provisions of FRS 1 (Revised): Cash Flow Statements, the Company has not prepared a cash flow statement because its parent company, Hand Picked Hotels Limited, prepares consolidated accounts. The cash flows of the Company are included in the consolidated cash flow statement.

# AUDLEYS WOOD HOTEL LIMITED

## Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

### 1 Accounting policies (continued)

#### ***Taxation***

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax balances are not discounted.

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

The company has taken advantage of the exemptions in FRS 8 in connection with the disclosure of transactions with other wholly owned group undertakings.

#### ***Leasing***

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

#### ***Exemption from preparation of consolidated accounts***

The Company has taken advantage of section 400 of the Companies Act 2006 and elected not to prepare consolidated accounts as it is included in the consolidated accounts of a larger group. Accordingly these financial statements show company only results and not group.

#### ***Pensions***

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

### 2 Operating profit

2013

2012

£

£

This is stated after charging:

Depreciation of owned fixed assets	408,347	413,988
Operating lease rentals - plant and machinery	7,620	8,070
Profit on disposal of fixed assets	-	(833)
Auditor's remuneration for audit services	3,640	3,445

**AUDLEYS WOOD HOTEL LIMITED**  
**Notes to the Accounts**  
**for the period from 30 November 2012 to 28 November 2013**

<b>3 Staff costs</b>	<b>2013 £</b>	<b>2012 £</b>
Wages and salaries	1,042,765	1,008,143
Social security costs	76,024	69,038
Other pension costs	13,384	14,313
	<u>1,132,173</u>	<u>1,091,494</u>
Agency staff	27,796	8,751
	<u>1,159,969</u>	<u>1,100,245</u>

None of the directors received any remuneration for the period (2012: £nil).

<b>Average number of employees during the year</b>	<b>2013 Number</b>	<b>2012 Number</b>
Hotel operations	39	37
Administration	5	5
	<u>44</u>	<u>42</u>

<b>4 Interest payable and similar charges</b>	<b>2013 £</b>	<b>2012 £</b>
Group interest payable	<u>482,563</u>	<u>470,172</u>

# AUDLEYS WOOD HOTEL LIMITED

## Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

5 Taxation	2013 £	2012 £
<b>Analysis of charge in period</b>		
Current tax	-	-
Deferred tax	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-

### Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2013 £	2012 £
Loss on ordinary activities before tax	(447,852)	(327,738)
Standard rate of corporation tax in the UK	23.3%	24.7%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(104,564)	(80,949)
Effects of:		
Expenses not deductible for corporation tax purposes	53,927	39,646
Depreciation in excess of capital allowances	40,952	56,668
Unutilised losses arising in the period		-
Losses brought forward utilised in the period		(15,365)
Group relief surrendered	9,685	-
	<hr/>	<hr/>
Current tax charge for period	-	-

The company has unrecognised deferred tax assets of £251,000 (2012: £235,000) and £143,000 (2012: £170,000) in respect of depreciation charged in excess of capital allowances at the end of the period and trade losses carried forward available for offset against future trading profits respectively.

6 Intangible fixed assets	£
Goodwill:	
<b>Cost</b>	
At 30 November 2012 and at 28 November 2013	<hr/> 7

# AUDLEYS WOOD HOTEL LIMITED

## Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

### 7 Tangible fixed assets

	Freehold Land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 30 November 2012	10,184,366	4,143,923	14,328,289
Additions	-	147,148	147,148
Disposals	-	(11,056)	(11,056)
At 28 November 2013	<u>10,184,366</u>	<u>4,280,015</u>	<u>14,464,381</u>
<b>Depreciation</b>			
At 30 November 2012	283,704	1,313,496	1,597,200
Charge for the period	56,741	351,606	408,347
On disposals	-	(11,056)	(11,056)
At 28 November 2013	<u>340,445</u>	<u>1,654,046</u>	<u>1,994,491</u>
<b>Net book value</b>			
At 28 November 2013	<u>9,843,921</u>	<u>2,625,969</u>	<u>12,469,890</u>
At 29 November 2012	<u>9,900,662</u>	<u>2,830,427</u>	<u>12,731,089</u>

Included in freehold land and buildings is freehold land of £1,455,000 which is not depreciated (2012: £1,455,000).

### 8 Investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 30 November 2012 and at 28 November 2013	<u>6</u>

The company has an investment in the following wholly owned subsidiary:

Company	Country of incorporation	Shares held Class	%
Audleys Wood Hotel (No. 2) Limited	England and Wales	Ordinary	100
		<b>2013</b>	<b>2012</b>
		£	£
Aggregate capital and reserves		<u>6</u>	<u>6</u>

### 9 Stocks

	<b>2013</b> £	<b>2012</b> £
Goods for resale	<u>17,870</u>	<u>18,620</u>

# AUDLEYS WOOD HOTEL LIMITED

## Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

<b>10 Debtors</b>	<b>2013 £</b>	<b>2012 £</b>
Trade debtors	189,688	175,624
Other debtors	12,314	11,419
Prepayments and accrued income	31,357	35,172
	<u>233,359</u>	<u>222,215</u>

<b>11 Creditors: amounts falling due within one year</b>	<b>2013 £</b>	<b>2012 £</b>
Payments in advance	247,024	267,709
Trade creditors	94,485	89,844
Amounts due to parent undertaking	15,533,341	15,520,642
Amounts due to subsidiary undertaking	6	6
Other taxes and social security costs	110,279	112,716
Other creditors	4,133	3,992
Accruals and deferred income	98,415	101,854
	<u>16,087,683</u>	<u>16,096,763</u>

<b>12 Share capital</b>	<b>2013 Number</b>	<b>2012 Number</b>	<b>2013 £</b>	<b>2012 £</b>
Allotted, called up and fully paid: Ordinary shares of £1 each	2	2	<u>2</u>	<u>2</u>

<b>13 Profit and loss account</b>	<b>2013 £</b>	<b>2012 £</b>
At 30 November	(2,864,344)	(2,536,606)
Loss for the period	(447,852)	(327,738)
	<u>(3,312,196)</u>	<u>(2,864,344)</u>

<b>14 Reconciliation of movement in shareholders' funds</b>	<b>2013 £</b>	<b>2012 £</b>
At 30 November	(2,864,342)	(2,536,604)
Loss for the period	(447,852)	(327,738)
	<u>(3,312,194)</u>	<u>(2,864,342)</u>

## **AUDLEYS WOOD HOTEL LIMITED**

### **Notes to the Accounts**

**for the period from 30 November 2012 to 28 November 2013**

#### **15 Operating leases**

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	<b>2013</b>	<b>2012</b>
	£	£
Operating leases which expire: within two to five years	7,620	8,070
	<u>7,620</u>	<u>8,070</u>

#### **16 Contingent liabilities**

The company has granted fixed and floating charges over its assets in respect of group borrowing facilities. The amount owed by the Hand Picked Hotels Limited group as at 28 November 2013 was £80,000,000 (2012: £80,000,000).

#### **17 Ultimate parent company and controlling party**

The company's ultimate parent company is Alscot Sarl, a company incorporated in Luxembourg. The company's immediate parent undertaking is Hand Picked Hotels Limited. The largest and smallest group, in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited. The consolidated accounts of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

The controlling party is Mr G Hands.