

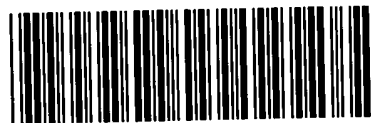
Registered number: 07075571

**WIVENHOE HOUSE HOTEL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2017**

MONDAY



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<b>WIVENHOE HOUSE HOTEL LIMITED</b>
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**COMPANY INFORMATION.**

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**Directors**

Mr O B Morris  
Mr A Keeble  
Mr C Oldham  
Professor P A Jones  
Professor D P Micklewright  
Mr H Murray  
Ms J M Samuels  
Ms A Barnard  
Mr N Byrne

**Registered number**

07075571

**Registered office**

Wivenhoe House  
Wivenhoe Park  
Colchester  
Essex  
CO4 3SQ

**Independent auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Bankers**

Lloyds TSB  
27 High Street  
Colchester  
Essex  
CO1 1DU

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**WIVENHOE HOUSE HOTEL LIMITED**

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**WIVENHOE HOUSE HOTEL LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 JULY 2017**

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**Introduction**

The company operates a hotel on the grounds of the University of Essex. The business comprises 40 bedrooms, 3 dedicated function rooms, a brasserie restaurant and a lounge area, specialising in afternoon tea and private dining. The hotel has been awarded with an AA 4 star status. It is also home of the Edge Hotel School, where undergraduate students study for Hotel Management degrees, conferred by the University of Essex.

**Business review**

The financial performance of the hotel continues to improve year on year, with the hotel making a surplus in the current financial year of £65,233 (2015/16: £12,214 loss).

**Principal risks and uncertainties**

The company is budgeted to make a surplus again in 2017/18, although this is expected to be lower than the current year owing to an increase in long term maintenance of the hotel premises. The principal risks for the business arise from local competition for bedroom, restaurant and conferencing business. The hotel has a number of larger corporate clients, including the University of Essex, where a sudden reduction in this business could impact on the hotels financial position. In addition, a significant reduction in student numbers within the Edge Hotel School could impact the hotel operations and subsequently the financial position.

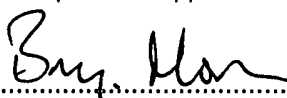
**Financial key performance indicators**

The hotel income is comprised of short term room rental income, food, beverage and facility fees for student trainees. Key performance indicators for the room income is occupancy and average room rates. The restaurant monitors covers and spend per head.

**Other key performance indicators**

The Hotel is rated as AA 4 stars and so monitors the standards tested to ensure compliance is kept up to date. It also monitors customer feedback obtained through surveys and online forums.

This report was approved by the board and signed on its behalf.

  
.....  
**Mr O B Morris**  
**Director**

Date: 30 January 2018

**WIVENHOE HOUSE HOTEL LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2017**

The directors present their report and the financial statements for the year ended 31 July 2017.

**Results and dividends**

The profit for the year, after taxation, amounted to £65,233 (2016 - loss £12,214).

The directors have not recommended a dividend in the current or prior period.

**Directors**

The directors who served during the year were:

Mr O B Morris  
Mr A Keeble  
Mr C Oldham  
Professor P A Jones  
Professor D P Micklewright  
Mr H Murray  
Ms J M Samuels  
Ms A Barnard  
Mr N Byrne

**Disclosure 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 the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

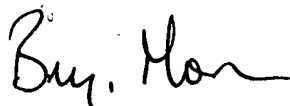
**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr O B Morris  
Director

Date: 30 January 2018

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**WIVENHOE HOUSE HOTEL LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 JULY 2017**

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The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIVENHOE HOUSE HOTEL LIMITED**

## **Opinion**

We have audited the financial statements of Wivenhoe House Hotel Limited ("the company") for the year ended 31 July 2017, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

## **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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

We have nothing to report these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Fleur Nieboer (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London  
E14 5GL  
15 February 2018



# WIVENHOE HOUSE HOTEL LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2017

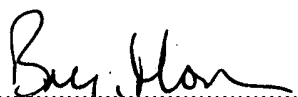
	Note	2017 £	2016 £
Turnover	4	2,752,682	2,569,987
Cost of sales		(1,863,554)	(1,748,405)
<b>Gross profit</b>		<b>889,128</b>	<b>821,582</b>
Administrative expenses		(827,518)	(838,112)
<b>Operating profit/(loss)</b>	5	<b>61,610</b>	<b>(16,530)</b>
Interest receivable and similar income	9	3,623	4,316
<b>Profit/(loss) before tax</b>		<b>65,233</b>	<b>(12,214)</b>
<b>Profit/(loss) for the financial year</b>		<b>65,233</b>	<b>(12,214)</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
<b>Total comprehensive income for the year</b>		<b>65,233</b>	<b>(12,214)</b>

**WIVENHOE HOUSE HOTEL LIMITED**  
**REGISTERED NUMBER: 07075571**

**BALANCE SHEET**  
**AS AT 31 JULY 2017**

	Note	2017 £	2016 £
Tangible assets	11	7,801,547	8,010,921
		<u>7,801,547</u>	<u>8,010,921</u>
<b>Current assets</b>			
Stocks	12	27,105	25,387
Debtors: amounts falling due within one year	13	269,373	116,275
Cash at bank and in hand	14	1,290,887	1,211,103
		<u>1,587,365</u>	<u>1,352,765</u>
Creditors: amounts falling due within one year	15	(605,211)	(645,218)
<b>Net current assets</b>		<u>982,154</u>	<u>707,547</u>
<b>Total assets less current liabilities</b>		<u>8,783,701</u>	<u>8,718,468</u>
<b>Net assets</b>		<u>8,783,701</u>	<u>8,718,468</u>
<b>Capital and reserves</b>			
Called up share capital	17	11,600,620	11,600,620
Profit and loss account	18	(2,816,919)	(2,882,152)
		<u>8,783,701</u>	<u>8,718,468</u>

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

  
 .....  
**Mr O B Morris**  
 Director

Date: 30 January 2018

The notes on pages 10 to 20 form part of these financial statements.

**WIVENHOE HOUSE HOTEL LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2016	11,600,620	(2,882,152)	8,718,468
<b>Comprehensive income for the year</b>			
Profit for the year	-	65,233	65,233
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	65,233	65,233
<b>Total transactions with owners</b>	-	-	-
<b>At 31 July 2017</b>	<b>11,600,620</b>	<b>(2,816,919)</b>	<b>8,783,701</b>

**WIVENHOE HOUSE HOTEL LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2016**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 August 2015	11,600,620	(2,869,938)	8,730,682
<b>Comprehensive income for the year</b>			
Loss for the year	-	(12,214)	(12,214)
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	(12,214)	(12,214)
<b>Total transactions with owners</b>	-	-	-
<b>At 31 July 2016</b>	<b>11,600,620</b>	<b>(2,882,152)</b>	<b>8,718,468</b>

The notes on pages 10 to 20 form part of these financial statements.

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**WIVENHOE HOUSE HOTEL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**1. General information**

The company operates a hotel on the grounds of the University of Essex. The business comprises 40 bedrooms, 3 dedicated function rooms, a brasserie restaurant and a lounge area, specialising in afternoon tea and private dining. The hotel has been awarded with an AA 4 star status. It is also home of the Edge Hotel School, where undergraduate students study for Hotel Management degrees, conferred by the University of Essex.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The University of Essex, as the company's parent entity and ultimate controlling party, has issued a letter confirming they will provide financial support to ensure that the company will be able to meet its liabilities as they fall due, for at least 12 months after the date of signing the accounts. As such, the directors have assurance that the company has adequate resources to continue in operational existence for the foreseeable future and have adopted the going concern basis in preparing the accounts.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)****2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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**WIVENIOE HOUSE HOTEL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)**

**2.4 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- 2%
Improvements	
Plant and machinery	- 10%
Fixtures, Fittings and Equipment	- 14% to 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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**WIVENHOE HOUSE HOTEL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)**

**2.8 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 debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 Statement of comprehensive income.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

**2.9 Creditors**

Short term 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.

**2.10 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.11 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.



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**WIVENHOE HOUSE HOTEL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually and amended where necessary. See note 11 for the carrying amount of the property, plant and equipment, and note 2.4 for the useful economic lives for each class of asset.

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtor and historical experience. In the current year there were no provisions for bad debts or bad debts written off.

The company has significant investments in property, plant and equipment. Changes in the circumstances or expectations of future performance of an individual asset may be an indicator that the asset is impaired, requiring the book value to be written down to its recoverable amount. Impairments are reversed if the conditions for impairment are no longer present. Evaluating whether an asset is impaired or if impairment should be reversed requires a high degree of judgement and may to a large extent depend upon the selection of key assumptions about the future.

Cashflow and profit and loss forecasts for the company's operations are reviewed on a regular basis by the directors to allow them to assess whether the freehold property is being held at an appropriate value.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Sales	<u>2,752,682</u>	<u>2,569,987</u>

All turnover arose within the United Kingdom.

	2017 £	2015 £
<b>Income by type</b>		
Hire of rooms and equipment	1,081,275	989,503
Food and beverage sales	1,590,726	1,498,824
Facility fees from Edge Hotel School	80,681	81,660
	<u>2,752,682</u>	<u>2,569,987</u>

**WIVENHOE HOUSE HOTEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**5. Operating profit/(loss)**

The operating profit/(loss) is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	255,420	249,569
Defined contribution pension cost	15,928	10,839
	<u>271,348</u>	<u>260,408</u>

**6. Auditor's remuneration**

	2017 £	2017 £
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
The auditing of accounts of associates of the Company pursuant to legislation	4,153	4,060
FRS102 conversion fee	-	2,000
	<u>4,153</u>	<u>6,060</u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,046,496	1,017,897
Social security costs	76,458	77,198
Cost of defined contribution scheme	15,928	10,839
	<u>1,138,882</u>	<u>1,105,934</u>

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

	2017 No.	2016 No.
Service Delivery	99	91

# WIVENHOE HOUSE HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

### 8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	<u>10,692</u>	<u>11,265</u>

### 9. Interest receivable

	2017 £	2016 £
Other interest receivable	<u>3,623</u>	<u>4,316</u>

### 10. Taxation

The company has no tax charge in the current or prior year. Deferred tax assets in relation to losses carried forward are not recognised as probability of taxable profits in the future is not known.

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - *higher than*) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>65,233</u>	<u>(12,214)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	<u>13,047</u>	<u>(2,443)</u>
<b>Effects of:</b>		
Capital allowances for year in excess of depreciation	7,657	5,596
Unrelieved tax losses carried forward	(20,704)	(3,153)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

**WIVENHOE HOUSE HOTEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**11. Tangible fixed assets**

	L/Term Leasehold Property Improvement £	Plant and machinery £	Fixtures, Fittings and Equipment £	Total £
<b>Cost or valuation</b>				
At 1 August 2016	9,125,641	851,205	17,510	9,994,356
Additions	-	34,105	11,941	46,046
At 31 July 2017	<u>9,125,641</u>	<u>885,310</u>	<u>29,451</u>	<u>10,040,402</u>
<b>Depreciation</b>				
At 1 August 2016	1,665,135	317,122	1,178	1,983,435
Charge for the year on owned assets	162,000	89,124	4,296	255,420
At 31 July 2017	<u>1,827,135</u>	<u>406,246</u>	<u>5,474</u>	<u>2,238,855</u>
<b>Net book value</b>				
At 31 July 2017	<u>7,298,506</u>	<u>479,064</u>	<u>23,977</u>	<u>7,801,547</u>
At 31 July 2016	<u>7,460,506</u>	<u>534,083</u>	<u>16,332</u>	<u>8,010,921</u>

**WIVENHOE HOUSE HOTEL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**12. Stocks**

	2017 £	2016 £
Finished goods and goods for resale	27,105	25,387
	<u>27,105</u>	<u>25,387</u>

**13. Debtors**

	2017 £	2016 £
Trade debtors	79,496	56,392
Other debtors	189,877	59,883
	<u>269,373</u>	<u>116,275</u>

**14. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	1,290,887	1,211,103
	<u>1,290,887</u>	<u>1,211,103</u>

**15. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	155,972	55,088
Amounts owed to group undertakings	173	169,137
Taxation and social security	111,144	114,967
Other creditors	328,138	286,438
Sponsorship received	9,784	19,588
	<u>605,211</u>	<u>645,218</u>

The sponsorship received corresponds to expenditure on long term leasehold property and is to be amortised in line with the assets useful economic life of 5 years. The balance above will be fully amortised by 31 July 2018.

# WIVENHOE HOUSE HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

### 16. Financial instruments

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	1,290,887	1,211,103
Financial assets that are debt instruments measured at amortised cost	269,373	116,275
	<u>1,560,260</u>	<u>1,327,378</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(484,283)	(510,663)
	<u>(484,283)</u>	<u>(510,663)</u>

Financial assets measured at amortised cost comprise trade debtors, prepayments and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed by group undertakings, accruals and deferred income.

# WIVENHOE HOUSE HOTEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

### 17. Share capital

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Authorised, allotted, called up and fully paid</b>		
11,600,620 Ordinary shares of £1 each	<u>11,600,620</u>	<u>11,600,620</u>

### 18. Reserves

#### Profit and loss account

The profit and loss account includes all current and prior period recognised and retained gains and losses.

### 19. 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 £15,928 (2015/16: £10,839).

### 20. Related party transactions

The company has taken advantage of the exemption conferred by section 33.1A of FRS 102 from disclosing related party transactions with group companies.

Included in turnover is £80,681 (2015/16: £81,660) of charges to Edge Hotel School Limited for facility fees relating to the use of the hotel premises for the provision of education services. Edge Hotel School is a related party by way of common directors.

### 21. Controlling party

In the opinion of the directors, the company's ultimate parent entity and ultimate controlling party is the University of Essex, a higher education institution in the United Kingdom. The parent undertaking of the largest and smallest group, which includes the company and for which group accounts are prepared, is University of Essex. Copies of the group financial statements are available from the Director of Finance, University of Essex, Wivenhoe Park, Colchester, Essex, CO4 3SQ.