

MILTON INNS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017

MILTON INNS LIMITED
REGISTERED NUMBER: 07144492

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	458,964	462,659
Current assets			
Stocks		10,000	10,000
Debtors: amounts falling due within one year	5	757	413
Cash at bank and in hand	6	95,405	84,456
		<u>106,162</u>	<u>94,869</u>
Creditors: amounts falling due within one year	7	(119,601)	(142,851)
Net current liabilities		<u>(13,439)</u>	<u>(47,982)</u>
Total assets less current liabilities		<u>445,525</u>	<u>414,677</u>
Creditors: amounts falling due after more than one year	8	(60,077)	(79,287)
Provisions for liabilities			
Deferred tax		(6,026)	(6,479)
		<u>(6,026)</u>	<u>(6,479)</u>
Net assets		<u><u>379,422</u></u>	<u><u>328,911</u></u>
Capital and reserves			
Called up share capital	10	60,000	60,000
Capital redemption reserve		20,000	20,000
Profit and loss account		<u>299,422</u>	<u>248,911</u>
		<u><u>379,422</u></u>	<u><u>328,911</u></u>

MILTON INNS LIMITED
REGISTERED NUMBER: 07144492

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....
Mr S C Kivlin
Director

Date: 30 April 2018

.....
Mr D D James
Director

Date: 30 April 2018

The notes on pages 3 to 9 form part of these financial statements.

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

1. General information

Milton Inns Limited is a private Company limited by shares incorporated in England and Wales within the United Kingdom. The address of the registered office is Tennyson House, Cambridge Business Park, Cambridge, CB4 0WZ. The Company is not part of a group.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised by the Company in respect of public house facilities provided during the year, being bed and breakfast services, 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.

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

2. Accounting policies (continued)

2.3 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.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	not depreciated
Property improvements	-	not depreciated
Fixtures, fittings & equipment	- 20%	reducing balance

2.4 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 weighted average basis.

2.5 Debtors

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

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instrument 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 Income and Retained Earnings.

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable.

2.11 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 Income and Retained Earnings 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.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 13 (2016 - 11).

MILTON INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. Tangible fixed assets

	Land and buildings £	Other fixed assets £	Total £
Cost			
At 1 January 2017	353,447	139,528	492,975
Additions	-	1,169	1,169
Disposals	-	(3,905)	(3,905)
At 31 December 2017	<u>353,447</u>	<u>136,792</u>	<u>490,239</u>
Depreciation			
At 1 January 2017	-	30,316	30,316
Charge for the year on owned assets	-	3,775	3,775
Disposals	-	(2,816)	(2,816)
At 31 December 2017	<u>-</u>	<u>31,275</u>	<u>31,275</u>
Net book value			
At 31 December 2017	<u>353,447</u>	<u>105,517</u>	<u>458,964</u>
At 31 December 2016	<u>353,447</u>	<u>109,212</u>	<u>462,659</u>

5. Debtors

	2017 £	2016 £
Prepayments and accrued income	<u>757</u>	<u>413</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>95,405</u>	<u>84,456</u>

MILTON INNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	19,211	14,886
Other loans	20,000	30,000
Trade creditors	4,686	7,854
Corporation tax	12,451	9,882
Other taxation and social security	19,336	16,350
Other creditors	40,116	60,078
Accruals and deferred income	3,801	3,801
	<u>119,601</u>	<u>142,851</u>

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	<u>60,077</u>	<u>79,287</u>

Secured loans

Included within creditors are secured debts amounting to £79,288 (2016 - £94,173) which are secured via a fixed and floating charge on the company's assets.

9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	19,211	14,886
Other loans	20,000	30,000
	<u>39,211</u>	<u>44,886</u>
Amounts falling due 1-2 years		
Bank loans	20,812	19,211
Amounts falling due 2-5 years		
Bank loans	39,265	60,076
	<u>99,288</u>	<u>124,173</u>

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

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
60,000 Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>

11. 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 £276 (2016 - £Nil). Contributions totalling £38 (2016 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

12. Related party transactions

During the year the Company operated loans with the directors of the Company. The amount payable to the directors of the Company at the year end was £40,000 (2016 - £60,000). These loans are interest free and repayable on demand.

During the year the Company operated loans with the shareholders of the Company. The amount payable to the shareholders of the Company at the year end was £20,000 (2016 - £30,000). These loans are interest free and repayable on demand.

During the year the Company operated loans with a company that has directors in common, the amount due from this Company at the year end was £78 (2016 - £78). These loans are interest free and repayable on demand.