
SUTTON COLDFIELD HOTEL LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017

SUTTON COLDFIELD HOTEL LIMITED
REGISTERED NUMBER: 07613798

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	359,690	441,479
		<u>359,690</u>	<u>441,479</u>
Current assets			
Stocks	5	34,628	27,864
Debtors: amounts falling due within one year	6	1,551,916	1,250,175
Cash at bank and in hand	7	7,598	89,714
		<u>1,594,142</u>	<u>1,367,753</u>
Creditors: amounts falling due within one year	8	(1,373,745)	(1,635,869)
Net current assets/(liabilities)		<u>220,397</u>	<u>(268,116)</u>
Total assets less current liabilities		<u>580,087</u>	<u>173,363</u>
Creditors: amounts falling due after more than one year	9	(58,417)	(73,244)
Provisions for liabilities			
Deferred tax	12	(47,622)	(18,129)
		<u>(47,622)</u>	<u>(18,129)</u>
Net assets		<u><u>474,048</u></u>	<u><u>81,990</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		474,046	81,988
		<u><u>474,048</u></u>	<u><u>81,990</u></u>

SUTTON COLDFIELD HOTEL LIMITED
REGISTERED NUMBER: 07613798

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:

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Jasbir Singh Johal
Director

Date: 28 September 2018

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

1. General information

Sutton Coldfield Hotel Limited is a private company limited by shares. The company is incorporated in England and the address of its registered office is 80-90 Holyhead Road, Coventry, CV1 3AS. The registered number is 07613798.

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 following principal accounting policies have been applied:

2.2 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:

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.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.4 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.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

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

2. Accounting policies (continued)

2.6 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.

2.7 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 income 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.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.9 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.

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

2. Accounting policies (continued)

2.9 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:

Other fixed assets	- over 3 - 10 years to nil residual value
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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 income and retained earnings.

2.10 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.

2.11 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.

2.12 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.

2.13 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)

2.14 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.

2.15 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.

3. Employees

The average monthly number of employees, including directors, during the year was 40 (2016 - 40).

SUTTON COLDFIELD HOTEL LIMITED

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

4. Tangible fixed assets

	Other fixed assets £
Cost or valuation	
At 1 January 2017	549,562
Additions	38,110
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At 31 December 2017	587,672
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Depreciation	
At 1 January 2017	108,083
Charge for the year on owned assets	119,898
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At 31 December 2017	227,981
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Net book value	
At 31 December 2017	359,691
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At 31 December 2016	441,479
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5. Stocks

	2017 £	2016 £
Finished goods and goods for resale	34,628	27,864
	<hr/>	<hr/>
	34,628	27,864
	<hr/>	<hr/>

6. Debtors

	2017 £	2016 £
Trade debtors	294,089	267,497
Other debtors	1,138,685	778,282
Prepayments and accrued income	119,142	204,396
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	1,551,916	1,250,175
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SUTTON COLDFIELD HOTEL LIMITED

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

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	7,598	89,714
Less: bank overdrafts	(72,280)	(20,322)
	<u>(64,682)</u>	<u>69,392</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	72,280	20,322
Trade creditors	206,803	569,576
Corporation tax	59,314	-
Other taxation and social security	149,003	156,585
Obligations under finance lease and hire purchase contracts	14,827	21,680
Other creditors	258,755	114,139
Accruals and deferred income	612,763	753,567
	<u>1,373,745</u>	<u>1,635,869</u>

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

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	58,417	73,244
	<u>58,417</u>	<u>73,244</u>

SUTTON COLDFIELD HOTEL LIMITED

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

10. Hire purchase and finance leases

	2017 £	2016 £
Within one year	14,827	21,680
Between 1-2 years	14,827	18,738
Between 2-5 years	43,590	54,506
	<u>73,244</u>	<u>94,924</u>

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>7,598</u>	<u>89,714</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

12. Deferred taxation

	2017 £
At beginning of year	(18,129)
Charged to profit or loss	(29,493)
At end of year	<u>(47,622)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(47,621)	(18,129)
	<u>(47,621)</u>	<u>(18,129)</u>

SUTTON COLDFIELD HOTEL LIMITED

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

13. 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 £20,084 (2016 - £21,956).

14. Related party transactions

At the balance sheet date the Company had the following balances owing from/(to) companies under common control. The loans are unsecured, interest free and repayable by mutual consent.

	2017 £	2016 £
Wise Trading Ltd	364,365	476,365
Hotel Top Ltd	7,441	1,440
Wise Hotels Ltd	(255,173)	(110,772)
Wise Sutton Coldfield Ltd	499,616	251,848
	<u>616,249</u>	<u>618,881</u>

15. Controlling party

The company is controlled by its directors by virtue of their shareholding in the company.