

That Bournemouth Car Park Limited

Financial Statements

for the Year Ended 31 July 2022

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for the year ended 31 July 2022**

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That Bournemouth Car Park Limited

**Company Information
for the year ended 31 July 2022**

Directors:

R S Kelvin CBE
L D Page
S A Brown
P S Tisdale

Registered office:

F4 Beehive Yard
Bath
Somerset
BA1 5BT

Registered number:

08565886 (England and Wales)

Auditors:

Haines Watts
Chartered Accountants and Statutory Auditor
250 Fowler Avenue
Farnborough
Hampshire
GU14 7JP

Balance Sheet
31 July 2022

		2022		2021
	Notes	£	£	as restated £
Fixed assets				
Intangible assets	4	8,595		10,207
Tangible assets	5	<u>2,601,342</u>		<u>2,647,230</u>
		2,609,937		2,657,437
Current assets				
Debtors	6	776,360	680,141	
Cash at bank		<u>36,020</u>	<u>32,264</u>	
		812,380	712,405	
Creditors				
Amounts falling due within one year	7	<u>2,533,136</u>	<u>247,841</u>	
Net current (liabilities)/assets		(1,720,756)		464,564
Total assets less current liabilities		889,181		3,122,001
Creditors				
Amounts falling due after more than one year	8	-		(2,481,897)
Provisions for liabilities		(18,577)		(17,767)
Net assets		<u>870,604</u>		<u>622,337</u>
Capital and reserves				
Called up share capital	9	1		1
Retained earnings		<u>870,603</u>		<u>622,336</u>
Shareholders' funds		<u>870,604</u>		<u>622,337</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 July 2023 and were signed on its behalf by:

S A Brown - Director

**Notes to the Financial Statements
for the year ended 31 July 2022**

1. Statutory information

That Bournemouth Car Park Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Accounting convention

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The directors believe the group has recovered from the impact of Covid. Further, the group enjoys the continued support provided by the bank lender. Further, support has been confirmed by the majority shareholder and director of the Company. This confirmation of support has been made to the ultimate parent company and all subsidiaries and has been given for a period of at least twelve months from approval of these financial statements.

The directors are also of the opinion that carrying value of the group's hotel, car park and residential properties (which are included at depreciated cost) is materially lower than their market value.

Based on the above, the directors have concluded that they can continue to adopt a going concern basis in preparing the company's annual report and accounts. This assessment has been made for a period of twelve months from the date of approving these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation

Due to the significance of the depreciation charged in the financial statements, the directors consider this to be a crucial accounting judgement. An assessment is made of the useful economics lives, taking into account residual values of the tangible assets, based on the directors' knowledge and industry experience. There are periodic reviews to determine if depreciation rates are still appropriate and whether any impairment is needed.

Notes to the Financial Statements - continued
for the year ended 31 July 2022

2. Accounting policies - continued

Recoverability of intercompany balances

The company has balances due from related companies connected by common ownership. Management are of the opinion that these balances are fully recoverable and therefore no provision has been made against these balances.

Management charges

Management recharges are levied from That Topco Limited, a company connected by way of common directorships. The recharge which includes salary and overhead costs is based on managements' estimate of the amount of time spent on the affairs of That Bournemouth Car Park Limited.

Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts and is recognised at the date of service provided.

Other income is recognised on receipt.

Intangible assets

Intangible assets are in respect of long term insurance cover, in connection with the tangible fixed assets of the company. The asset is accounted for separately as this is considered to be a material component.

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intangible assets	12 years straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and any impairment losses. Cost includes directly attributable finance costs incurred during the construction of new buildings.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

There has been a change in depreciation rates to more accurately reflect the useful life of assets, as well as reclassification of fixed assets between classes. This has been treated as a prior year adjustment and the accounts have therefore been restated to reflect the change retrospectively. See note 14.

	Revised	Original
Long leasehold property	125 years straight line	125 years straight line
Plant and machinery	15 and 25 years straight line	5 and 10 years straight line
Fixtures and fittings	12 years straight line	n/a

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

Notes to the Financial Statements - continued
for the year ended 31 July 2022

2. **Accounting policies - continued**

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include debtors, balances due from connected companies and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from connected companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Other financial liabilities

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Interest rate swap fair values at respective year ends are based on independent, qualified valuers information.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. **Employees and directors**

The average number of employees during the year was 4 (2021 - 4) .

Notes to the Financial Statements - continued
for the year ended 31 July 2022

4. Intangible fixed assets

	Other Intangible assets £
Cost	
At 1 August 2021 and 31 July 2022	19,341
Amortisation	
At 1 August 2021	9,134
Amortisation for year	1,612
At 31 July 2022	10,746
Net book value	
At 31 July 2022	8,595
At 31 July 2021	10,207

5. Tangible fixed assets

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
Cost				
At 1 August 2021	2,325,011	575,328	9,225	2,909,564
Additions	-	1,335	-	1,335
At 31 July 2022	2,325,011	576,663	9,225	2,910,899
Depreciation				
At 1 August 2021	105,027	152,983	4,324	262,334
Charge for year	18,600	27,854	769	47,223
At 31 July 2022	123,627	180,837	5,093	309,557
Net book value				
At 31 July 2022	2,201,384	395,826	4,132	2,601,342
At 31 July 2021	2,219,984	422,345	4,901	2,647,230

Included within land and buildings are capitalised finance costs of £110,676 (2021 - £110,676).

HSBC Bank plc have fixed and floating charges over the company's fixed assets.

6. Debtors: amounts falling due within one year

	2022 £	2021 as restated £
Trade debtors	2,325	35,222
Amounts owed by group undertakings	662,103	632,149
Other debtors	111,932	12,770
	<u>776,360</u>	<u>680,141</u>

Notes to the Financial Statements - continued
for the year ended 31 July 2022

6. **Debtors: amounts falling due within one year - continued**

The group undertakings have subordinated their intra-group debt to the bank lender and have assigned their intra-group debt as security to the lender. Except for some operational surpluses in excess of periodic debt service payments, it is only once the bank lender has been repaid that any payment can be received in respect of these intra-group debtors.

7. **Creditors: amounts falling due within one year**

	2022	2021 as restated
	£	£
Bank loans and overdrafts	2,395,170	118,625
Trade creditors	20,698	16,843
Amounts owed to group undertakings	10,524	7,524
Taxation and social security	9,549	25,559
Other creditors	97,195	79,290
	<u>2,533,136</u>	<u>247,841</u>

The bank loan is secured as detailed in note 11.

The interest rate derivative included above has been recorded at fair value, based on information from an independent suitably qualified valuer; the fair value being £2,395,170 (2021 - £2,600,522). The book value of the related loan is £2,420,536 (2021 - £2,522,000), with £2,395,170 (2021 - £118,625) of this falling due within one year.

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

	2022	2021 as restated
	£	£
Bank loans	<u>-</u>	<u>2,481,897</u>

The bank loan is secured as detailed in note 11.

9. **Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021 as restated
			£	£
100	Ordinary shares	1p	<u>1</u>	<u>1</u>

10. **Disclosure under Section 444(5B) of the Companies Act 2006**

The Auditors' Report was unqualified.

We draw attention to note 14 to the financial statements which describes the impact to the accounts of the reclassification of fixed assets as well as changes to related depreciation rates. Our opinion is not modified in this respect.

James Maxwell (Senior Statutory Auditor)
for and on behalf of Haines Watts

Notes to the Financial Statements - continued
for the year ended 31 July 2022

11. **Financial commitments, guarantees and contingent liabilities**

There is a debenture dated 4 January 2019 which secures all leasehold and freehold property. HSBC borrowings are secured by a fixed and floating charge over the assets of the company.

There is a composite company limited multilateral guarantee dated 4 January 2019 given by That Bournemouth Big Hotel Limited, That Bournemouth Little Hotel Limited, That Bournemouth Car Park Limited, That Bournemouth Street Bar Limited and That Bournemouth H2 Limited.

12. **Related party transactions**

The company has taken advantage of the exemption available in FRS 102 from the requirement to disclose transactions with the group companies.

13. **Parent company**

The company's immediate parent company is That Bournemouth H2 Limited and the ultimate parent company is That Bournemouth Company Limited, both of which are incorporated in England and Wales.

The registered address of That Bournemouth Company Limited is F4 Beehive Yard, Bath, BA1 5BT. Copies of the consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is R S Kelvin CBE, director and majority shareholder of the ultimate parent company.

14. **Prior year adjustment**

The accounts have been restated to incorporate the impact of reclassification of fixed assets between land and buildings, plant and machinery and fixtures and fittings as well as the related depreciation rates. Refer to note 2 for change in depreciation rates. The related deferred tax has also been adjusted. The change has resulted in a decrease in fixed asset depreciation and increase in profits available for distribution as at 31 July 2021 by £293,991 made up of:

Over depreciation brought forward	£269,634
Over depreciation FY21	£42,124
Deferred tax adjustment brought forward	(£12,348)
Deferred tax adjustment FY21	(£5,419)
Total impact on shareholder funds and retained earnings FY21	£293,991

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.