
RUTHIN CASTLE HOTEL LIMITED

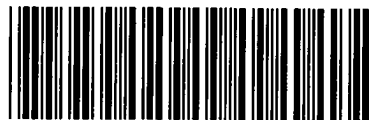
UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

SATURDAY



A8DYYDQQ

A23

14/09/2019

#187

COMPANIES HOUSE

RUTHIN CASTLE HOTEL LIMITED

COMPANY INFORMATION

Directors	S Walshe L Walshe A Saint Claire M Saint Claire R A Saint Claire
Company secretary	S Walshe
Registered number	09077120
Registered office	Ruthin Castle Castle Street Ruthin Clwyd LL15 2NU
Accountants	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
Bankers	Barclays Bank PLC Church Street Flint Clwyd CH6 5AJ
Solicitors	Kuits Solicitors 3 St Mary's Parsonage Manchester M3 2RD

RUTHIN CASTLE HOTEL LIMITED

CONTENTS

	Page
Accountant's Report	1
Statement of Financial Position	2 - 3
Notes to the Financial Statements	4 - 11

Report to the directors on the preparation of the unaudited statutory financial statements of Ruthin Castle Hotel Limited for the year ended 31 December 2018

We have compiled the accompanying financial statements of Ruthin Castle Hotel Limited based on the information you have provided. These financial statements comprise the Statement of Financial Position of Ruthin Castle Hotel Limited as at 31 December 2018 and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Board of Directors of Ruthin Castle Hotel Limited, as a body, in accordance with the terms of our engagement letter dated 26 June 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Ruthin Castle Hotel Limited and state those matters that we have agreed to state to the Board of Directors of Ruthin Castle Hotel Limited, as a body, in this report in accordance with our engagement letter dated 26 June 2018. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ruthin Castle Hotel Limited and its Board of Directors, as a body, for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.



Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date: 14 June 2019

RUTHIN CASTLE HOTEL LIMITED
REGISTERED NUMBER:09077120

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible fixed assets	5	103,220	121,691
Tangible assets	6	227,609	227,075
		<u>330,829</u>	<u>348,766</u>
Current assets			
Stocks		26,022	27,395
Debtors: amounts falling due within one year	7	156,479	191,302
Cash at bank and in hand		1,707	5,774
		<u>184,208</u>	<u>224,471</u>
Creditors: amounts falling due within one year	8	(601,756)	(473,656)
Net current liabilities		<u>(417,548)</u>	<u>(249,185)</u>
Total assets less current liabilities		<u>(86,719)</u>	<u>99,581</u>
Creditors: amounts falling due after more than one year	9	(602,224)	(692,666)
Net liabilities		<u>(688,943)</u>	<u>(593,085)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(688,944)	(593,086)
Shareholder deficit		<u>(688,943)</u>	<u>(593,085)</u>

RUTHIN CASTLE HOTEL LIMITED
REGISTERED NUMBER:09077120

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

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 comprehensive income 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 on

Amanda L. Saint Claire

A Saint Claire
Director

Date: *30 May 2019*

The notes on pages 4 to 11 form part of these financial statements.

RUTHIN CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Ruthin Castle Hotel Limited is a private limited company and is registered in England and Wales.
Registered number: 09077120.
Registered office: Ruthin Castle, Castle Street, Ruthin, Clwyd, LL15 2NU.

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 Going concern

Notwithstanding the loss for the year, the net current liabilities and deficiency in shareholders' funds on the Statement of Financial Position as at 31 December 2018, the directors believe it is appropriate for the financial statements to be prepared on a going concern basis as the parent company signed terms on a new bank loan facility with Barclays of £1m for a period of 5 years in November 2016.

After making enquiries, the directors have a reasonable expectation that the company has adequate access to financial resources from its bankers, shareholders and related parties to continue in existence for the foreseeable future.

Accordingly, they adopt the going concern basis in preparing the financial statements.

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of accommodation and hospitality services supplied during the year, exclusive of Value Added Tax.

Turnover in respect of accommodation is recognised on the night the customer stays whilst other sales, including restaurant and bar revenue, are recognised at the point of purchase.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Amortisation is provided on the following bases:

Goodwill	-	10 %
----------	---	------

RUTHIN CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 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.

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:

Plant and equipment	- 10 years straight line
Fixtures and fittings	- 10 years straight line
Computer equipment	- 3 years straight line

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.

2.6 Stocks

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

2.7 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.

2.8 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.

RUTHIN CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 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 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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

2.10 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.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.12 Interest income

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

2.13 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

RUTHIN CASTLE HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.14 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

3. Employees

The average monthly number of employees, including directors, during the year was 99 (2017 - 87).

4. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	<u>13,596</u>	<u>-</u>

RUTHIN CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Intangible assets

	Goodwill £
Cost	
At 1 January 2018	184,708
At 31 December 2018	<u>184,708</u>
Amortisation	
At 1 January 2018	63,017
Charge for the year	18,471
At 31 December 2018	<u>81,488</u>
Net book value	
At 31 December 2018	<u>103,220</u>
At 31 December 2017	<u>121,691</u>

On 27 June 2014, the company purchased the hotel business and assets from Ruthin Castle Estates Limited for consideration totalling £260,000. Total assets and liabilities purchased amounted to £159,996 and £87,704, resulting in the recognition of goodwill amounting to £184,708.

RUTHIN CASTLE HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2018	79,071	235,116	4,337	318,524
Additions	13,918	14,701	8,567	37,186
At 31 December 2018	<u>92,989</u>	<u>249,817</u>	<u>12,904</u>	<u>355,710</u>
Depreciation				
At 1 January 2018	13,043	74,122	4,284	91,449
Charge for the year on owned assets	9,299	24,487	2,866	36,652
At 31 December 2018	<u>22,342</u>	<u>98,609</u>	<u>7,150</u>	<u>128,101</u>
Net book value				
At 31 December 2018	<u>70,647</u>	<u>151,208</u>	<u>5,754</u>	<u>227,609</u>
At 31 December 2017	<u>66,028</u>	<u>160,994</u>	<u>53</u>	<u>227,075</u>

7. Debtors

	2018 £	2017 £
Trade debtors	93,975	124,722
Other debtors	-	540
Prepayments and accrued income	62,504	66,040
	<u>156,479</u>	<u>191,302</u>

RUTHIN CASTLE HOTEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	94,845	-
Trade creditors	183,689	149,896
Amounts owed to group undertakings	59,239	-
Other taxation and social security	84,911	79,545
Other creditors	90,214	163,781
Accruals and deferred income	88,858	80,434
	<u>601,756</u>	<u>473,656</u>

The bank overdraft facility is secured by a cross guarantee and debenture between Ruthin Castle Hotel Limited and Ruthin Castle Estates Limited.

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

	2018 £	2017 £
Amounts owed to group undertakings	<u>602,224</u>	<u>692,666</u>

The amounts owed to group undertakings are interest bearing, unsecured and have no specific terms of repayment.

10. Contingent liabilities

There is a cross guarantee and debenture in place between the bank, the company and its parent undertaking, Ruthin Castle Estates Limited. No liability is expected to arise under this guarantee. The maximum potential liability at 31 December 2018 is £1,003,700 (2017: £963,955).

11. Pension commitments

The pension cost for the year was £6,801 and the pension accrued was £1,363 (2017: £1,081).

RUTHIN CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	4,680	7,679
Later than 1 year and not later than 5 years	7,800	12,480
	<u>12,480</u>	<u>20,159</u>

13. Related party transactions

At 31 December 2018, the company owed £602,224 (2017: £692,666) to Ruthin Castle Estates Limited. The amount has arisen as part of the hive down on the business and assets, interest payable on the loan and management charges payable. The balance is unsecured.

During the year the company incurred management fees totalling £131,117 (2017: £127,608) from Kepler Capital Limited, related by common directors and shareholders. At 31 December 2018, the balance due to Kepler Capital Limited was £59,239 (2017: £Nil) included in amounts owed to group undertakings and £10,953 (2017: £10,634) included in accruals.

During the year the company incurred management fees totalling £115,889 (2017: £116,672) from Prima Managed Estates Limited related by common directors and shareholders. At 31 December 2018, the balance due to Prima Managed Estates Limited was £52,952 (2017: £Nil) included in trade creditors and £9,000 (2017: £4,800) included in accruals.

14. Controlling party

The parent company is Ruthin Castle Estates Limited, its registered office and place of business is Ruthin Castle, Castle Street, Ruthin, Clwyd, LL15 2NU.

The ultimate controlling party is Kepler Capital Limited by virtue of control.