

PRAHI HOTEL COLLECTION LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



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FOR THE YEAR ENDED 31 DECEMBER 2018**

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PRAHI HOTEL COLLECTION LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTOR:	A Ahmed
REGISTERED OFFICE:	75/129 Carlisle Street Sheffield South Yorkshire S4 7LJ
REGISTERED NUMBER:	09174105 (England and Wales)
AUDITORS:	Smith Craven Chartered Accountants Statutory Auditors Sidings House Sidings Court Lakeside Doncaster South Yorkshire DN4 5NU

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The director presents his strategic report for the year ended 31 December 2018.

REVIEW OF BUSINESS

The main activity of the Prahi Hotel Collection ("the Company") is the operation of its main asset, The Shrigley Hall Hotel in the United Kingdom, as part of the Hotel Collection brand.

The strategy of the Company is to operate the hotel profitably whilst maintaining good customer satisfaction ratings and hiring and managing employees effectively.

Key Financial Performance Indicators

	<u>Year Ended</u> <u>31/12/18</u> £000	<u>Year Ended</u> <u>31/12/17</u> £000
Turnover	6,643,027	6,115,376
Gross Profit	5,460,042	5,124,091
Gross Profit percentage	82.19%	83.79%
Net Profit before Tax	(269,516)	5,762,095
Net assets	923,268	1,167,952

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is directly exposed to the risks associated with the hotel industry such as any downturn in the general operating conditions in the UK provincial hotel industry and new hotel openings close to its existing location.

The Company is also exposed to risks regarding property valuations in periods of market instability. This instability means that professional valuers and the Director are not able to value properties with the same degree of certainty as would be the case in a more stable market with a good level of transactional evidence to support valuations.

The Company's exposure to credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of any allowances for doubtful debts. The Company seeks to mitigate credit risk through credit checking and, where customers pay on departure, Company policy is to obtain a pre-authorised credit card for payment. In certain circumstances customers pay all or part of their stay in advance.

The Company's exposure to liquidity and cash flow risk is mitigated by the trade debtors procedures described above and by negotiating commercial payment terms with suppliers. The Company aims to mitigate liquidity risk by managing cash generation and uses through its operations.

On 24 July 2017 the company was sold to Prahi (2017) Limited. As part of the sale agreement, £5,665,511 of the inter-company loan was written off, returning the Company to a positive net assets position.

FUTURE DEVELOPMENTS

The director is confident for the future as the company continues to build its brand and reputation.

ON BEHALF OF THE BOARD:



A Ahmed - Director

24 September 2019

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2018**

The director presents his report with the financial statements of the company for the year ended 31 December 2018.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2018.

DIRECTOR

A Ahmed held office during the whole of the period from 1 January 2018 to the date of this report.

APPROVAL OF REDUCED DISCLOSURES

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS102 Reduced Disclosure Framework as listed in note 2 to these financial statements. The parent company's parent company has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is 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 enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

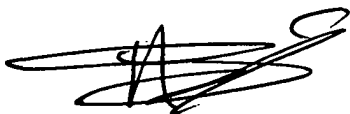
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Smith Craven, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A Ahmed - Director

24 September 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRAHI HOTEL COLLECTION LIMITED

Opinion

We have audited the financial statements of Prahi Hotel Collection Limited (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PRAHI HOTEL COLLECTION LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for 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 the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Andrew Cribb FCA (Senior Statutory Auditor)
for and on behalf of Smith Craven
Chartered Accountants
Statutory Auditors
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

25 September 2019

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
TURNOVER	3	6,643,027	6,115,376
Cost of sales		<u>1,182,985</u>	<u>991,285</u>
GROSS PROFIT		5,460,042	5,124,091
Administrative expenses		<u>5,471,893</u>	<u>4,902,813</u>
		(11,851)	221,278
Gain/loss on revaluation of tangible assets		<u>-</u>	<u>131,796</u>
OPERATING (LOSS)/PROFIT	5	(11,851)	353,074
Amounts written off loans	6	<u>-</u>	<u>(5,665,511)</u>
		(11,851)	6,018,585
Interest payable and similar expenses	7	<u>251,665</u>	<u>256,490</u>
(LOSS)/PROFIT BEFORE TAXATION		(263,516)	5,762,095
Tax on (loss)/profit	8	<u>(18,832)</u>	<u>(59,000)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(244,684)</u>	<u>5,821,095</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

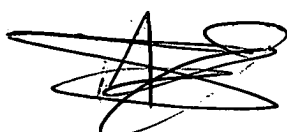
	Notes	2018 £	2017 £
(LOSS)/PROFIT FOR THE YEAR		(244,684)	5,821,095
OTHER COMPREHENSIVE INCOME			
Revaluation of fixed assets		-	131,796
Revaluation shown in profit and loss a/c		-	(131,796)
Income tax relating to components of other comprehensive income		-	-
		<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(244,684)	5,821,095
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2018

		2018	2017
	Notes	£	£
FIXED ASSETS			
Tangible assets	9	9,994,458	9,890,580
CURRENT ASSETS			
Stocks	10	69,224	69,707
Debtors	11	436,895	322,269
Cash at bank		203,443	536,257
		<u>709,562</u>	<u>928,233</u>
CREDITORS			
Amounts falling due within one year	12	9,692,433	9,532,265
NET CURRENT LIABILITIES		<u>(8,982,871)</u>	<u>(8,604,032)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,011,587	1,286,548
CREDITORS			
Amounts falling due after more than one year	13	88,319	118,596
NET ASSETS		<u>923,268</u>	<u>1,167,952</u>
CAPITAL AND RESERVES			
Called up share capital	15	1	1
Retained earnings	16	923,267	1,167,951
SHAREHOLDERS' FUNDS		<u>923,268</u>	<u>1,167,952</u>

The financial statements were approved by the director on 24 September 2019 and were signed by:



A Ahmed - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	1	(4,653,144)	(4,653,143)
Changes in equity			
Total comprehensive income	-	5,821,095	5,821,095
Balance at 31 December 2017	1	1,167,951	1,167,952
Changes in equity			
Total comprehensive income	-	(244,684)	(244,684)
Balance at 31 December 2018	1	923,267	923,268

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	411,949	6,787,888
Interest paid		(248,450)	(255,944)
Interest element of hire purchase payments paid		(3,215)	(546)
Tax paid		18,832	59,000
Net cash from operating activities		<u>179,116</u>	<u>6,590,398</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(313,540)	(438,534)
Net cash from investing activities		<u>(313,540)</u>	<u>(438,534)</u>
Cash flows from financing activities			
Intercompany loan repayments		(168,113)	(4,095,370)
Repayments made to associates		-	(2,172,560)
Capital repayments in year		(30,277)	148,873
Net cash from financing activities		<u>(198,390)</u>	<u>(6,119,057)</u>
(Decrease)/increase in cash and cash equivalents		<u>(332,814)</u>	<u>32,807</u>
Cash and cash equivalents at beginning of year	2	536,257	503,450
Cash and cash equivalents at end of year	2	<u>203,443</u>	<u>536,257</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018 £	2017 £
(Loss)/profit before taxation	(263,516)	5,762,095
Depreciation charges	209,662	178,543
Gain on revaluation of fixed assets	-	(131,796)
Finance costs	251,665	256,490
	<u>197,811</u>	<u>6,065,332</u>
Decrease/(increase) in stocks	483	(11,744)
(Increase)/decrease in trade and other debtors	(114,626)	5,342
Increase in trade and other creditors	328,281	728,958
	<u>328,281</u>	<u>728,958</u>
Cash generated from operations	<u><u>411,949</u></u>	<u><u>6,787,888</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2018

	31/12/18 £	1/1/18 £
Cash and cash equivalents	<u>203,443</u>	<u>536,257</u>

Year ended 31 December 2017

	31/12/17 £	1/1/17 £
Cash and cash equivalents	<u>536,257</u>	<u>503,450</u>

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

1. STATUTORY INFORMATION

Prahi Hotel Collection 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

As at 31 December 2018, the company had net assets of £923,268 (2017 : £1,167,952) The directors consider it appropriate to prepare the accounts on the going concern basis in view of continuing support of the company's principal creditors.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- At varying rates on cost
Plant and machinery	- 5% on cost

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

2. ACCOUNTING POLICIES - continued**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

- Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit or loss in the period to which they relate.

3. TURNOVER

The turnover and loss (2017 - profit) before taxation are attributable to the one principal activity of the company.

4. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	<u>2,787,593</u>	<u>2,572,861</u>

The average number of employees during the year was as follows:

	2018	2017
	<u>205</u>	<u>187</u>
	2018	2017
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

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

5. OPERATING (LOSS)/PROFIT

The operating loss (2017 - operating profit) is stated after charging:

	2018 £	2017 £
Hire of plant and machinery	33,021	48,710
Depreciation - owned assets	190,771	175,600
Depreciation - assets on hire purchase contracts	18,891	3,148
Auditors' remuneration	12,000	14,000
	<u>254,683</u>	<u>241,458</u>

6. AMOUNTS WRITTEN OFF LOANS

	2018 £	2017 £
Amounts written off loans	-	(5,665,511)
	<u>-</u>	<u>(5,665,511)</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £	2017 £
Loan interest	248,450	255,944
Hire purchase	3,215	546
	<u>251,665</u>	<u>256,490</u>

8. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	(18,832)	(59,000)
Tax on (loss)/profit	<u>(18,832)</u>	<u>(59,000)</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 December 2018.

	Gross £	2017 Tax £	Net £
Revaluation of fixed assets	131,796	-	131,796
Revaluation shown in profit and loss a/c	<u>(131,796)</u>	<u>-</u>	<u>(131,796)</u>
	<u>-</u>	<u>-</u>	<u>-</u>

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

9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST OR VALUATION			
At 1 January 2018	11,970,657	1,353,854	13,324,511
Additions	153,071	160,469	313,540
At 31 December 2018	<u>12,123,728</u>	<u>1,514,323</u>	<u>13,638,051</u>
DEPRECIATION			
At 1 January 2018	2,948,572	485,359	3,433,931
Charge for year	37,023	172,639	209,662
At 31 December 2018	<u>2,985,595</u>	<u>657,998</u>	<u>3,643,593</u>
NET BOOK VALUE			
At 31 December 2018	<u>9,138,133</u>	<u>856,325</u>	<u>9,994,458</u>
At 31 December 2017	<u>9,022,085</u>	<u>868,495</u>	<u>9,890,580</u>

A full independent valuation of the property was carried out by Cushman & Wakefield on 17 March 2017. This valuation indicated a market value of £9,700,000 for the property as a fully equipped operational entity.

Cost or valuation at 31 December 2018 is represented by:

	Freehold property £	Plant and machinery £	Totals £
Valuation in 2017	132,000	-	132,000
Cost	11,991,728	1,514,323	13,506,051
	<u>12,123,728</u>	<u>1,514,323</u>	<u>13,638,051</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST OR VALUATION	
At 1 January 2018 and 31 December 2018	<u>188,910</u>
DEPRECIATION	
At 1 January 2018	3,148
Charge for year	18,891
At 31 December 2018	<u>22,039</u>
NET BOOK VALUE	
At 31 December 2018	<u>166,871</u>
At 31 December 2017	<u>185,762</u>

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

10. STOCKS

	2018	2017
	£	£
Stocks	<u>69,224</u>	<u>69,707</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	184,843	170,872
Other debtors	105,003	-
Prepayments and accrued income	<u>147,049</u>	<u>151,397</u>
	<u>436,895</u>	<u>322,269</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts (see note 14)	30,277	30,277
Trade creditors	645,006	491,277
Amounts owed to group undertakings	8,017,482	8,185,595
Social security and other taxes	95,006	75,777
VAT	96,279	95,470
Other creditors	366,839	326,113
Accruals and deferred income	<u>441,544</u>	<u>327,756</u>
	<u>9,692,433</u>	<u>9,532,265</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts (see note 14)	<u>88,319</u>	<u>118,596</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	30,277	30,277
Between one and five years	<u>88,319</u>	<u>118,596</u>
	<u>118,596</u>	<u>148,873</u>

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

14. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	10,369	35,095
Between one and five years	17,703	5,849
	<u>28,072</u>	<u>40,944</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
1	Ordinary A	1	<u>1</u>	<u>1</u>

16. RESERVES

	Retained earnings £
At 1 January 2018	1,167,951
Deficit for the year	(244,684)
At 31 December 2018	<u>923,267</u>

17. ULTIMATE PARENT COMPANY

The company's issued share capital is wholly owned by Prahi (2017) Limited, a company registered in England and Wales. The ultimate parent company and controlling party is Prahi Limited, a company registered in England and Wales. Consolidated group accounts of Prahi Limited can be obtained from Sidings House, Sidings Court, Lakeside, Doncaster, South Yorkshire, DN4 5NU.

18. OTHER FINANCIAL COMMITMENTS

The Group has issued an unlimited guarantee to AIB Group (UK) plc for the liabilities of another company, in return for a loan of £200,000, which is included in the creditors of the parent company.

19. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.