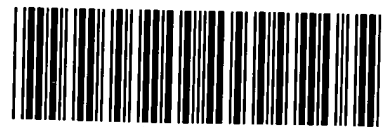


**REGISTERED NUMBER: 09174105 (England and Wales)**

**PRAHI HOTEL COLLECTION LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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**PRAHI HOTEL COLLECTION LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**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 2019**

The director presents his strategic report for the year ended 31 December 2019.

**REVIEW OF BUSINESS**

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

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>31/12/19</u> £	<u>Year Ended</u> <u>31/12/18</u> £
Turnover	7,157,489	6,643,027
Gross Profit	5,835,034	5,460,042
Gross Profit percentage	81.52%	82.19%
Net Profit before Tax	(2,178,171)	(263,516)
Net assets	(1,244,052)	923,268

**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.

**COVID-19**

The COVID-19 pandemic has materially affected the companies activities since March 2020. The hotel has been forced to close during multiple national and local lockdowns. The Company has utilised the Coronavirus Job Retention Scheme in furloughing a number of staff at various points. To ensure the continuity of the Companies activities, when the pandemic hit we took immediate action which should ensure an adequate level of liquidity and consequently ensure the sustainability of future activities. Among all the measures taken, the following should be noted:

- Reduction and limitation of operating expenses: the Company quickly took all measures that were necessary to drastically reduce its operational and ongoing expenses to limit these as much as possible, in particular by using all government aid where available, by applying the economic unemployment when activities are at a standstill, by negotiating with its suppliers extended payment periods, reducing all of its operating costs and by using all the possibilities of deferral of expenditure, in particular with regard to taxes and duties;

The directors believe that it is reasonable to consider that the Company will have the necessary resources to ensure its operational continuity for a period of at least 12 months from the date of signature of these Financial Statements.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**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 handwritten signature in black ink, consisting of a stylized 'A' with a horizontal line through it and a large loop at the end.

A Ahmed - Director

18 June 2021

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The director presents his report with the financial statements of the company for the year ended 31 December 2019.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2019.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTOR**

A Ahmed held office during the whole of the period from 1 January 2019 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.

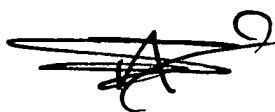
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

18 June 2021

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

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### **Qualified opinion**

We have audited the financial statements of Prahi Hotel Collection Limited (the 'company') for the year ended 31 December 2019 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, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of the company's 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 qualified opinion**

We were unable to access the point of sale system in use by the company during the accounting period whilst executing the audit fieldwork. We were unable to satisfy ourselves by alternative means as to the completeness of income and that sales are recorded in the correct period, by using other audit procedures. Consequently we were unable to determine whether any adjustment to turnover was necessary.

In addition, were any adjustment to turnover to be required, the strategic report would also need to be amended.

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 Auditor's 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 qualified opinion.

### **Material uncertainty related to going concern**

We draw attention to note 2 in the financial statements, which indicates that the company incurred a net loss of £2,178,171 during the year ended 31 December 2019 and, as of that date, the company's current liabilities exceeded its total assets by £1,244,052.

Furthermore as at the date of approval of the Accounts the Parent Company's principal lender has indicated it is unwilling to continue to offer current facility levels and will look to withdraw its support entirely in due course. The Group is currently exploring its options for re-financing and after receiving expressions of interest from new potential lenders is hopeful a deal can be agreed.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Key audit matters**

Except for the matter described in the basis for qualified opinion section, in addition to the matter described in the material uncertainty related to going concern section, we have determined that there are no key audit matters to be communicated in our report.

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

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**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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the completeness of income and appropriate recording of turnover in the correct period. We have concluded that where the other information refers to turnover, it may be materially misstated for the same reason.

**Opinions on other matters prescribed by the Companies Act 2006**

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

Except for the matter described in the basis for qualified opinion section of our report, 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 directors' report.

Arising solely from the limitation on the scope of our work relating to turnover, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- in our opinion, adequate accounting records have not been kept.

**Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page four, 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.



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

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### **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](http://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

18 June 2021

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	7,157,489	6,643,027
Cost of sales		<u>1,322,455</u>	<u>1,182,985</u>
<b>GROSS PROFIT</b>		5,835,034	5,460,042
Administrative expenses		<u>5,665,201</u>	<u>5,471,893</u>
		169,833	(11,851)
Gain/loss on revaluation of tangible assets		<u>(2,130,521)</u>	-
<b>OPERATING LOSS</b>	5	(1,960,688)	(11,851)
Interest payable and similar expenses	6	<u>217,483</u>	<u>251,665</u>
<b>LOSS BEFORE TAXATION</b>		(2,178,171)	(263,516)
Tax on loss	7	<u>(10,851)</u>	<u>(18,832)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(2,167,320)</u></u>	<u><u>(244,684)</u></u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

Notes	2019 £	2018 £
<b>LOSS FOR THE YEAR</b>	(2,167,320)	(244,684)
<b>OTHER COMPREHENSIVE INCOME</b>		
Revaluation of fixed assets	2,130,521	-
Revaluation shown in profit and loss a/c	(2,130,521)	-
Income tax relating to components of other comprehensive income	-	-
	<u>                    </u>	<u>                    </u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	-	-
	<u>                    </u>	<u>                    </u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u><u>(2,167,320)</u></u>	<u><u>(244,684)</u></u>

The notes form part of these financial statements

**BALANCE SHEET**  
**31 DECEMBER 2019**

		2019	2018
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	9,300,000	9,994,458
<b>CURRENT ASSETS</b>			
Stocks	9	69,625	69,224
Debtors	10	761,839	436,895
Cash at bank		114,947	203,443
		<u>946,411</u>	<u>709,562</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>11,113,409</u>	<u>9,692,433</u>
<b>NET CURRENT LIABILITIES</b>		<u>(10,166,998)</u>	<u>(8,982,871)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(866,998)</u>	<u>1,011,587</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	<u>377,054</u>	<u>88,319</u>
<b>NET (LIABILITIES)/ASSETS</b>		<u><u>(1,244,052)</u></u>	<u><u>923,268</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	1	1
Retained earnings	15	<u>(1,244,053)</u>	<u>923,267</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>(1,244,052)</u></u>	<u><u>923,268</u></u>

The financial statements were approved by the director and authorised for issue on 18 June 2021 and were signed by:



A Ahmed - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2018</b>	1	1,167,951	1,167,952
<b>Changes in equity</b>			
Total comprehensive income	-	(244,684)	(244,684)
<b>Balance at 31 December 2018</b>	<u>1</u>	<u>923,267</u>	<u>923,268</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(2,167,320)	(2,167,320)
<b>Balance at 31 December 2019</b>	<u>1</u>	<u>(1,244,053)</u>	<u>(1,244,052)</u>

The notes form part of these financial statements

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	540,065	411,949
Interest paid		(214,268)	(248,450)
Interest element of hire purchase payments paid		(3,215)	(3,215)
Tax paid		10,851	18,832
Net cash from operating activities		<u>333,433</u>	<u>179,116</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(1,827,414)</u>	<u>(313,540)</u>
Net cash from investing activities		<u>(1,827,414)</u>	<u>(313,540)</u>
<b>Cash flows from financing activities</b>			
Intercompany loan repayments		985,280	(168,113)
Capital repayments in year		<u>420,205</u>	<u>(30,277)</u>
Net cash from financing activities		<u>1,405,485</u>	<u>(198,390)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(88,496)</u>	<u>(332,814)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>203,443</u>	<u>536,257</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>114,947</u></u>	<u><u>203,443</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019 £	2018 £
Loss before taxation	(2,178,171)	(263,516)
Depreciation charges	391,350	209,662
Loss on revaluation of fixed assets	2,130,521	-
Finance costs	217,483	251,665
	<u>561,183</u>	<u>197,811</u>
(Increase)/decrease in stocks	(401)	483
Increase in trade and other debtors	(324,944)	(114,626)
Increase in trade and other creditors	304,227	328,281
	<u>540,065</u>	<u>411,949</u>
<b>Cash generated from operations</b>	<u><u>540,065</u></u>	<u><u>411,949</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 2019**

	31/12/19 £	1/1/19 £
Cash and cash equivalents	<u>114,947</u>	<u>203,443</u>

**Year ended 31 December 2018**

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

**3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)**

	At 1/1/19 £	Cash flow £	At 31/12/19 £
<b>Net cash</b>			
Cash at bank	203,443	(88,496)	114,947
	<u>203,443</u>	<u>(88,496)</u>	<u>114,947</u>
<b>Debt</b>			
Finance leases	(118,596)	(420,205)	(538,801)
	<u>(118,596)</u>	<u>(420,205)</u>	<u>(538,801)</u>
<b>Total</b>	<u><u>84,847</u></u>	<u><u>(508,701)</u></u>	<u><u>(423,854)</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**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**

As at 31 December 2019, the company had net liabilities of £1,244,052 after incurring a loss for the year of £2,167,320.

As at the date of approval of the Accounts the principal lender to the company's immediate parent company has indicated it is unwilling to continue to offer current facility levels and will look to withdraw its support entirely in due course. The Group is currently exploring its options for re-financing and after receiving expressions of interest from new potential lenders is hopeful a deal can be agreed.

The directors consider it appropriate to prepare the accounts on the going concern basis, however the above events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

**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 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 finance lease, over the lease term, whichever is shorter

Freehold property	- 15% - 25% on reducing balance
Plant and machinery	- 5% - 33% on reducing balance

**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 2019

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 before taxation are attributable to the one principal activity of the company.

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	<u>3,196,981</u>	<u>2,787,593</u>

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

	2019	2018
	<u>210</u>	<u>205</u>
	2019	2018
	£	£
Director's remuneration	<u>-</u>	<u>-</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2019	12,123,728	1,514,323	13,638,051
Additions	1,652,402	175,012	1,827,414
Revaluations	(2,124,172)	(6,350)	(2,130,522)
At 31 December 2019	<u>11,651,958</u>	<u>1,682,985</u>	<u>13,334,943</u>
<b>DEPRECIATION</b>			
At 1 January 2019	2,985,595	657,998	3,643,593
Charge for year	<u>222,320</u>	<u>169,030</u>	<u>391,350</u>
At 31 December 2019	<u>3,207,915</u>	<u>827,028</u>	<u>4,034,943</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<u>8,444,043</u>	<u>855,957</u>	<u>9,300,000</u>
At 31 December 2018	<u>9,138,133</u>	<u>856,325</u>	<u>9,994,458</u>

A full independent valuation of the property was carried out by CBRE Limited on 14 June 2021. This valuation indicated a market value of £9,300,000 for the property as a fully equipped operational entity.

Cost or valuation at 31 December 2019 is represented by:

	Freehold property £	Plant and machinery £	Totals £
Valuation in 2017	132,000	-	132,000
Valuation in 2020	(4,734,826)	(6,350)	(4,741,176)
Valuation in 2021	2,610,654	-	2,610,654
Cost	<u>13,644,130</u>	<u>1,689,335</u>	<u>15,333,465</u>
	<u>11,651,958</u>	<u>1,682,985</u>	<u>13,334,943</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**8. TANGIBLE FIXED ASSETS - continued**

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

	Freehold property £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2019	-	188,910	188,910
Additions	47,157	146,167	193,324
	<u>47,157</u>	<u>146,167</u>	<u>193,324</u>
At 31 December 2019	47,157	335,077	382,234
	<u>47,157</u>	<u>335,077</u>	<u>382,234</u>
<b>DEPRECIATION</b>			
At 1 January 2019	-	22,039	22,039
Charge for year	2,213	22,861	25,074
	<u>2,213</u>	<u>22,861</u>	<u>25,074</u>
At 31 December 2019	2,213	44,900	47,113
	<u>2,213</u>	<u>44,900</u>	<u>47,113</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	44,944	290,177	335,121
	<u>44,944</u>	<u>290,177</u>	<u>335,121</u>
At 31 December 2018	-	166,871	166,871
	<u>-</u>	<u>166,871</u>	<u>166,871</u>

**9. STOCKS**

	2019 £	2018 £
Stocks	69,625	69,224
	<u>69,625</u>	<u>69,224</u>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	495,711	184,843
Other debtors	105,889	105,003
Prepayments and accrued income	160,239	147,049
	<u>761,839</u>	<u>436,895</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Hire purchase contracts (see note 13)	161,747	30,277
Trade creditors	738,257	645,006
Amounts owed to group undertakings	9,002,761	8,017,482
Social security and other taxes	93,876	95,006
VAT	109,502	96,279
Other creditors	321,258	366,839
Accruals and deferred income	686,008	441,544
	<u>11,113,409</u>	<u>9,692,433</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Hire purchase contracts (see note 13)	<u>377,054</u>	<u>88,319</u>

**13. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	161,747	30,277
Between one and five years	<u>377,054</u>	<u>88,319</u>
	<u>538,801</u>	<u>118,596</u>

	<b>Non-cancellable operating leases</b>	
	2019	2018
	£	£
Within one year	4,520	10,369
Between one and five years	<u>13,183</u>	<u>17,703</u>
	<u>17,703</u>	<u>28,072</u>

**14. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
1	Ordinary A	1	<u>1</u>	<u>1</u>

**15. RESERVES**

	<b>Retained earnings</b>
	£
At 1 January 2019	923,267
Deficit for the year	<u>(2,167,320)</u>
At 31 December 2019	<u>(1,244,053)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**16. 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.

**17. 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.

**18. 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.

**19. POST BALANCE SHEET EVENTS**

On 30th January 2020 the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency. This pandemic has severely restricted the level of worldwide economic activity.

The effects of the coronavirus pandemic continue to have a significant impact on the Company's trade after the balance sheet date, both directly and indirectly through the effect on the wider UK economy.

The Company has taken advantage of the significant financial support offered by HM Government and along with the support of its principal creditors is confident the Company continues to be a going concern.

The Company continues to monitor developments closely and adjust its plans accordingly.