

Company number: 09377751

Belmont Hotel Limited

**AMENDED UNAUDITED REPORT AND FINANCIAL
STATEMENTS**

FOR THE PERIOD ENDED 31 JANUARY 2016

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Belmont Hotel Limited

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JANUARY 2016**

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Belmont Hotel Limited

COMPANY INFORMATION FOR THE PERIOD ENDED 31 JANUARY 2016

Directors: G L Woodhouse (Appointed 7 January 2015)
R S Forster (Appointed 1 May 2015 & Resigned
2 January 2016)

Company secretary: None registered

Registered office: K3, K Mill
Dean Clough Mills
Halifax
West Yorkshire
HX3 5AX

Registered number: 09377751

Belmont Hotel Limited

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 JANUARY 2016

The directors present their report for the financial statements of Belmont Hotel Limited for the period ended 31 January 2016.

The Company has taken advantage of the Companies Act 2006 exemption from producing a strategic report, as the Company qualifies as a small company.

These financial statements replace the original financial statements for the period previously filed. These are now the statutory financial statements for the period ended 31 January 2016. The financial statements have been prepared as they were as at the date of the original financial statements.

Principal activity

The principal activity of the Company is the development of property. This is the first period of trading following the incorporation of the Company on 7 January 2015 and there have been no changes to the principal activity.

Directors

The directors shown below have held office during the period ended 31 January 2016.

G L Woodhouse (Appointed 7 January 2015)

R S Forster (Appointed 1 May 2015 & Resigned 2 January 2016)

Business performance

During the period the Company made a loss of £186,691. In the period the Company bought the freehold of the Belmont Hotel in Llandudno and granted 26 125 year long leases to high net worth investors on rooms in the Belmont Hotel.

The Company incurred administration expenses which primarily consisted of agent commissions, professional and legal fees in relation to setting up the long leaseholds that were granted.

The result benefited from the initial discounting of the long term debtor outstanding with the high net worth investors. Some of the investors paid a part of the total purchase price of their lease and will pay back the remainder over a 10 year period. Consequently the long term debtor was discounted at a rate of 2.5% over the 10 years. 2.5% reflects the cost of capital to the Company.

Dividends

The Company has not paid any dividends in the financial period.

Adoption of Financial Reporting Standard 102 (FRS 102)

The directors have adopted Financial Reporting Standard 102 (FRS 102) in preparing the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and Financial Reporting Standard 102 (FRS 102).

Under company law the directors must not approve the financial statements unless they are 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 directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

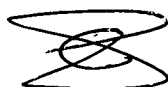
Audit exemption

The Company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the period ended 31 January 2016.

The members have not required the Company to obtain an audit of its financial statements for the period ended 31 January 2016 in accordance with Section 476 of the Companies Act 2006.

SIGNED ON BEHALF OF THE BOARD:

G L Woodhouse
Director
10 March 2017



Belmont Hotel Limited

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 January 2016

	Notes	2016 £
TURNOVER		-
Cost of Sales		-
GROSS PROFIT		<u>-</u>
Administrative expenses		(188,816)
OPERATING LOSS		<u>(188,816)</u>
Interest receivable and similar income	1	43,885
Interest payable and similar charges	2	(41,760)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(186,691)</u>
Tax on profit on ordinary activities	5	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>(186,691)</u></u>

The Total Comprehensive Income for the period was all derived from continuing operations.

Belmont Hotel Limited

STATEMENT OF FINANCIAL POSITION

As at 31 January 2016

	NOTES	2016 £
FIXED ASSETS		
Tangible assets	8	12,647
Intangible assets	7	2,879
Investment property	9	397,529
		413,055
CURRENT ASSETS		
Debtors	10	719,279
Cash at bank		924
		720,203
CURRENT LIABILITIES		
Creditors: amounts falling due within 1 year	11	(1,250)
NET CURRENT ASSETS		718,953
Debtors: amounts falling due after 1 year	10	214,503
TOTAL ASSETS LESS CURRENT LIABILITIES		1,346,511
Creditors: amounts falling due after 1 year	11	(1,533,102)
NET ASSETS		<u>(186,591)</u>
CAPITAL AND RESERVES		
Called up share capital	12	100
Profit and loss account	13	(186,691)
TOTAL EQUITY		<u>(186,591)</u>

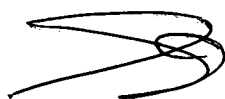
For the period ended 31 January 2016, the company was entitled to exemption from audit under section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- i) Ensuring the Company keeps accounting records which comply with section 386;
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

The financial statements on pages 5 to 16 were approved by the board of directors and authorised for issue on 10 March 2017 and are signed on its behalf by:



G L Woodhouse
Director

Belmont Hotel Limited
STATEMENT OF CHANGES IN EQUITY
For the period ended 31 January 2016

	Share Capital £	Profit and Loss account £	Total £
Loss for the period	-	(186,691)	(186,691)
Total comprehensive income for the period	-	(186,691)	(186,691)
Issue of shares (note 12)	100	-	100
Total transactions with owners in their capacity as owners	100	-	100
Balance as at 31 January 2016	100	(186,691)	(186,591)

BELMONT HOTEL LIMITED

ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 JANUARY 2016

GENERAL INFORMATION

Belmont Hotel Limited is a limited company domiciled and incorporated in England. The Company changed its name from MBI Heritage Hotel Limited on 5 September 2016.

The address of the Company's registered office and principal place of business is K3, K Mill, Dean Clough Mills, Halifax, West Yorkshire, HX3 5AX.

The Company's principal activity is the development of property.

BASIS OF ACCOUNTING

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. The financial statements are prepared using the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest pound.

This is the first period of trade for the Company following incorporation on 7 January 2015 and therefore the financial statements are made up for the period 7 January 2015 to 31 January 2016.

REDUCED DISCLOSURES

In accordance with FRS 102, the Company has taken advantage of the exemption from producing a cash flow statement for small companies.

GOING CONCERN

The financial statements have been prepared on the going concern basis. The directors have no reason to believe that the Company will not continue to operate as a going concern for the foreseeable future, having considered the financing arrangements of the business.

The company has no future guaranteed cash outflows following the completion of all the lease transactions of the rooms. Cash will be injected in to the business by Northern Powerhouse Developments Limited as and when required to meet obligations that arise.

BELMONT HOTEL LIMITED
ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 JANUARY 2016
(CONTINUED)

FIXED ASSETS

INTANGIBLE ASSETS

The company has computer software and licences which are classified as intangible assets. These are initially recognised at cost and are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Computer software	5 years
Software licences	Term of the licence

TANGIBLE ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Computer equipment	5 years
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INVESTMENT PROPERTY

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

BELMONT HOTEL LIMITED
ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 JANUARY 2016
(CONTINUED)

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value in use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining life.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

BELMONT HOTEL LIMITED
ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 JANUARY 2016
(CONTINUED)

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

LEASES

The Company leases rooms to investors on a 125 year long leasehold basis. The Company has a call option in place allowing them to buy back the room at the original purchase plus a 25% increase. This can be exercised at any point in the first 10 year period. The investor has a put option on the same terms but can only be actioned in year 10.

The sale price of the room is kept on the balance sheet as a liability as the directors expect to invoke the call option at year 10 to repurchase the rooms. The liability is discounted at a rate of 2.5% (the implicit cost of capital) as the liability is not likely to become due for 10 years. The 25% uplift to the original purchase price is accrued over the course of the 10 year option period.

CRITICAL AREAS OF JUDGEMENT

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred from the Company as lessor. The management do not believe that risks and rewards of ownership on the rooms leased to investors has transferred, as the Company maintains the rooms and insures them. In addition the investor can only sell the long leasehold on to another third party with the permission of the Company and there is a call option in place for the Company to buy back the room at a fixed price at any point in the 10 year option period.

Trade debtors is the residual balance of the purchase price owed by the investor to the Company. This is repayable over the 10 year option period. The outstanding debtor is

BELMONT HOTEL LIMITED
ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 JANUARY 2016
(CONTINUED)

therefore, discounted at 2.5%, the implicit cost of capital.

The buyback provision held on the balance sheet is expected to be repayable at the end of the 10 year option period and is discounted over 10 years at the 2.5% cost of capital.

BELMONT HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JANUARY 2016****1. INTEREST RECEIVABLE AND SIMILAR CHARGES**

	2016
	£
Discounting of loan	36,898
Interest receivable on trade debtors	6,987
	<u>43,885</u>

2. INTEREST PAYABLE AND SIMILAR CHARGES

	2016
	£
Discounting of debtors falling due > 1 year	<u>41,760</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2016
	£
Profit on ordinary activities before taxation is stated after charging:	
Depreciation – tangible owned assets	2,232
Amortisation of intangible fixed assets	<u>1,652</u>

4. DIRECTORS

The director of Belmont Hotel Limited has not taken any emoluments from the Company during the period.

5. TAXATION

	2016
	£
Current & Deferred tax	
Current UK corporation tax	-
Deferred tax	-
Total tax on profit on ordinary activities	<u>-</u>

The company did not make a taxable profit in the period.

6. DIVIDENDS

There were no dividends paid by the Company during the financial period.

BELMONT HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JANUARY 2016 (CONTINUED)

7. INTANGIBLE FIXED ASSETS

	Computer software	Licences	Total
	£	£	£
Cost:			
Additions	2,100	2,431	4,531
Disposals	-	-	-
31 January 2016	2,100	2,431	4,531
Amortisation:			
Charge for the period	(315)	(1,337)	(1,652)
31 January 2016	(315)	(1,337)	(1,652)
Carrying amount at 31 January 2016	1,785	1,094	2,879

The amortisation charge for the period has been recognised in administrative expenditure. There are no contractual commitments to acquire intangible assets.

8. TANGIBLE FIXED ASSETS

	Computer Hardware	Total
	£	£
Cost:		
Additions	14,880	14,880
Disposals	-	-
31 January 2016	14,880	14,880
Depreciation:		
Charge for the period	(2,232)	(2,232)
31 January 2016	(2,232)	(2,232)
Carrying amount at 31 January 2016	12,648	12,648

No assets are held under finance leases.

BELMONT HOTEL LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JANUARY 2016 (CONTINUED)****9. INVESTMENT PROPERTY**

	2016 £
FAIR VALUE	
Additions	397,529
Fair value gain/(loss)	-
As at 31 January 2016	<u>397,529</u>

Investment property comprises the freehold hotel building. The fair value of the Company's investment property at 31 January 2016, reflects the total cost incurred of purchasing the property on 13 March 2015. Management consider there to be no change in market value due to the hotel being bought in the financial period, no changes having been made to the hotel since acquisition and the hotel has also not traded in this period.

10. DEBTORS

	2016 £
Amounts falling due within one year:	
Trade debtors	59,224
Other debtors	660,055
	<u>719,279</u>
Amounts falling due after one year:	
Trade debtors	<u>214,503</u>

11. CREDITORS

	2016 £
Amounts falling due within one year:	
Accruals	1,250
	<u>1,250</u>
Amounts falling due after one year:	
Room buyback provision	<u>1,533,102</u>

BELMONT HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JANUARY 2016 (CONTINUED)

A reconciliation of the room buyback provision is as follows:

	2016
	£
Total purchase price received from investors for 125 year leases	1,570,000
Discount @ 2.5% for 10 years	<u>(36,898)</u>
Balance as at 31 January 2016	<u>1,533,102</u>

Management expect that either the put or call option will be enacted at the end of 10 years. As a consequence the provision has been discounted over 10 years at the cost of capital of 2.5%.

12. CALLED UP SHARE CAPITAL

Allotted, issued but not fully paid:

	Number	Nominal Value	2016 £
Ordinary shares	100	£1	100

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

Upon incorporation 100 shares were issued with a nominal value of £1 per share.

13. RESERVES

	Profit And loss £
Profit for the financial period	<u>(186,691)</u>
Balance as at 31 January 2016	<u>(186,691)</u>

14. CAPITAL COMMITMENTS AND OTHER CONTRACTUAL OBLIGATIONS

The Company has no capital commitments or other contractual obligations at the end of the financial period.

15. POST BALANCE SHEET EVENTS

On 5 September 2016, the Company changed its name from MBI Heritage Hotel Limited to Belmont Hotel Limited.