

Place Apart Limited

Financial Statements

For the year ended 31 December 2022

Pages for Filing with Registrar

Company Registration No. 09490385 (England and Wales)

Place Apart Limited

Company Information

| | |
|--------------------------|--|
| Directors | E Q Slater S A Deering P A Slater H Sunderji |
| Secretary | E Q Slater |
| Company number | 09490385 |
| Registered office | 41 White Church Lane London E1 7QR |
| Auditor | Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP |

Place Apart Limited

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Place Apart Limited

Balance Sheet

As at 31 December 2022

| | Notes | £ | 2022 £ | £ | 2021 £ |
|--|-------|------------------|--------------------|------------------|--------------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 1,863,678 | | 1,861,385 |
| Investments | 5 | | 1 | | 1 |
| | | | <u>1,863,679</u> | | <u>1,861,386</u> |
| Current assets | | | | | |
| Stock | | 5,076 | | 4,827 | |
| Debtors | 6 | 888,064 | | 508,577 | |
| Cash at bank and in hand | | 2,925,590 | | 1,183,570 | |
| | | <u>3,818,730</u> | | <u>1,696,974</u> | |
| Creditors: amounts falling due within one year | 7 | (2,501,354) | | (3,310,399) | |
| Net current assets/(liabilities) | | | <u>1,317,376</u> | | <u>(1,613,425)</u> |
| Total assets less current liabilities | | | <u>3,181,055</u> | | <u>247,961</u> |
| Creditors: amounts falling due after more than one year | 8 | | (10,591,731) | | (5,981,751) |
| Net liabilities | | | <u>(7,410,676)</u> | | <u>(5,733,790)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 9 | | 1,000 | | 1,000 |
| Profit and loss reserves | | | (7,411,676) | | (5,734,790) |
| Total equity | | | <u>(7,410,676)</u> | | <u>(5,733,790)</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 22 September 2023 and are signed on its behalf by:

E Q Slater
Director

H Sunderji
Director

Company Registration No. 09490385

Place Apart Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Accounting policies

Company information

Place Apart Limited is a private company limited by shares incorporated in England and Wales. The registered office is 41 White Church Lane, London, England, E1 7QR.

1.1 Accounting convention

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

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

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

1.2 Going concern

The company incurred a loss for the year in excess of £1.6m (2021: £2.8m) and had net liabilities at the balance sheet date of £7.4m (2021: £5.7m). The directors remain confident the company can continue as a going concern for at least the next twelve months and ultimately achieve its objectives of operating profitably due to

- to the extent that lease payments are due within 12 months from the date of these financial statements, the payments are covered by cash reserves which have built up in 2022.
- the company has funding from related parties which has no formal deferment of payment and hence is shown as a current liability, but which is not repayable until the company is in a position to do so
- the same related party is a guarantor to the lease

Despite surging wholesale and retail energy prices as well as wage inflation affecting the sector, the company has continued generating positive cash flows in 2022 and on in to 2023 as the wider hospitality sector continues to grow and recover following the COVID 19 pandemic.

The company is expected to achieve further revenue growth for the full year to 31 December 2023 and be close to breaking even. The directors anticipate the company will continue to generate cash for the next twelve months.

The combination of these factors mean the directors remain confident the company has sufficient financial resources to continue to trade whilst it continues to build up its occupancy and revenues to the expected levels and thus, the directors continue to adopt the going concern basis for accounting in preparing the financial statements.

1.3 Turnover

Turnover represents income from the letting of hotel rooms and related services and goods. Income is recognised once the obligations under the bookings are satisfied. Income received in advance of the obligations being satisfied is deferred.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

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

| | |
|------------------------------|--|
| Leasehold land and buildings | Over the term of the lease |
| Plant and equipment | 25% per annum on a reducing balance basis |
| Fixtures and fittings | 25% per annum on a reducing balance basis |
| Computers | 25% to 33.3% per annum on a reducing balance basis |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.7 Stock

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans and other debtors 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.

Creditors

Short term trade creditors and other current creditors payable on demand 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.

1.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.15 COVID 19 related support measures

- The company as a hotel operator was able to take advantage of a temporary reduction in business rates through to mid 2022.
- The company was able to take advantage of a temporary VAT reduction for the hospitality sector in early 2022. As income and costs are stated net of VAT, this had no impact on the result for the period reported in the financial statements.

2 Judgements and key sources of estimation uncertainty

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

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

The directors consider the key judgements to be that the company will continue to increase occupancy and revenue at a rate sufficient to meet rental obligations now that initial lease incentives have expired.

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 32 (2021 - 21).

| | 2022 Number | 2021 Number |
|-------|----------------|----------------|
| Total | 32 | 21 |

4 Tangible fixed assets

| | Land and buildings £ | Plant and machinery etc £ | Total £ |
|------------------------------------|----------------------------|------------------------------------|------------|
| Cost | | | |
| At 1 January 2022 | 1,643,752 | 465,546 | 2,109,298 |
| Additions | - | 148,307 | 148,307 |
| At 31 December 2022 | 1,643,752 | 613,853 | 2,257,605 |
| Depreciation and impairment | | | |
| At 1 January 2022 | 82,188 | 165,725 | 247,913 |
| Depreciation charged in the year | 54,792 | 91,222 | 146,014 |
| At 31 December 2022 | 136,980 | 256,947 | 393,927 |
| Carrying amount | | | |
| At 31 December 2022 | 1,506,772 | 356,906 | 1,863,678 |
| At 31 December 2021 | 1,561,564 | 299,821 | 1,861,385 |

Land and buildings includes £1,643,752 in respect of stamp duty incurred in entering into a lease which is amortised evenly over the term of the lease.

5 Fixed asset investments

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Shares in group undertakings and participating interests | 1 | 1 |

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

5 Fixed asset investments

(Continued)

The company's investment at the Balance Sheet date in the share capital of companies include the following:

The Gate London Limited

Registered office: 41 White Church Lane, London, E1 7QR

Nature of business: Dormant

- Ordinary £1 share
- 100% holding

6 Debtors

| | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 428,508 | 254,042 |
| Amounts owed by group undertakings | - | 750 |
| Other debtors | 263,241 | 151,724 |
| Prepayments and accrued income | 196,315 | 102,061 |
| | <u>888,064</u> | <u>508,577</u> |

7 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 109,744 | 214,380 |
| Taxation and social security | 312,937 | 70,440 |
| Other creditors | 843,448 | 2,323,502 |
| Accruals and deferred income | 1,235,225 | 702,077 |
| | <u>2,501,354</u> | <u>3,310,399</u> |

8 Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|-----------------|-------------------|------------------|
| | £ | £ |
| Other creditors | <u>10,591,731</u> | <u>5,981,751</u> |

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

9 Called up share capital

| | 2022 Number | 2021 Number | 2022 £ | 2021 £ |
|---|----------------|----------------|--------------|--------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary A of £1 each | 750 | 750 | 750 | 750 |
| Ordinary B of £1 each | 250 | 250 | 250 | 250 |
| | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2022 £ | 2021 £ |
|----------------------------|--------------------|--------------------|
| Within one year | 3,730,779 | - |
| Between two and five years | 20,171,600 | 16,725,000 |
| In over five years | 113,465,250 | 104,810,000 |
| | <u>137,367,629</u> | <u>121,535,000</u> |

The commitments disclosed above are based on the current rent payable. These rents are subject to increase in line with RPI with a cap of 4.25% and a collar of 0.00%.

11 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

At the balance sheet date, other creditors falling due within one year includes a loan of £714,852 (2021; £2,514,851) due to an entity in which some of the directors have an interest. This loan is interest free and has no fixed date for repayment but is repayable when the company is in a position to do so.

The lease obligations referred to in note 10 are guaranteed by an entity in which some of the directors have an interest.

The directors did not receive any remuneration for the year but were remunerated by their respective related entities.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Place Apart Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

12 Audit report information

(Continued)

Senior Statutory Auditor:
Statutory Auditor:

Andrew Grieve
Moore Kingston Smith LLP

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