

Company Registration No. 10360104 (England and Wales)

DRUNKEN SAILOR HOLIDAYS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
PAGES FOR FILING WITH REGISTRAR

DRUNKEN SAILOR HOLIDAYS LIMITED

COMPANY INFORMATION

Directors	Norman Liu Professor Warren Andrew Turner
Company number	10360104
Registered office	Horse & Groom Village Inn Upper Oddington Moreton-In-Marsh GL56 0XH

DRUNKEN SAILOR HOLIDAYS LIMITED

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DRUNKEN SAILOR HOLIDAYS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their annual report and financial statements for the year ended 30 September 2021.

Principal activities

The principal activity of the company is that of operating a public house also providing hotel accommodation.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Norman Liu
Professor Warren Andrew Turner

On behalf of the board

Norman Liu
Director

22 April 2022

DRUNKEN SAILOR HOLIDAYS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021	2020
	£	£
Profit/(loss) for the year	71,901	(42,323)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>71,901</u>	<u>(42,323)</u>

DRUNKEN SAILOR HOLIDAYS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		883,807		896,958
Current assets					
Stocks	5	7,000		7,250	
Debtors	6	3,378		2,128	
Cash at bank and in hand		56,173		42,314	
		<u>66,551</u>		<u>51,692</u>	
Creditors: amounts falling due within one year	7	<u>(97,606)</u>		<u>(40,904)</u>	
Net current (liabilities)/assets			<u>(31,055)</u>		<u>10,788</u>
Total assets less current liabilities			<u>852,752</u>		<u>907,746</u>
Creditors: amounts falling due after more than one year	8		(806,110)		(931,696)
Provisions for liabilities					
Deferred tax liability	10	<u>2,998</u>	<u>(2,998)</u>	<u>4,307</u>	<u>(4,307)</u>
Net assets/(liabilities)			<u><u>43,644</u></u>		<u><u>(28,257)</u></u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss reserves			<u>43,544</u>		<u>(28,357)</u>
Total equity			<u><u>43,644</u></u>		<u><u>(28,257)</u></u>

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

For the financial year ended 30 September 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

DRUNKEN SAILOR HOLIDAYS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2021

The financial statements were approved by the board of directors and authorised for issue on 22 April 2022 and are signed on its behalf by:

Norman Liu

Director

Company Registration No. 10360104

DRUNKEN SAILOR HOLIDAYS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 October 2019	100	13,966	14,066
Period ended 30 September 2020:			
Loss and total comprehensive income for the period	-	(42,323)	(42,323)
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2020	100	(28,357)	(28,257)
Year ended 30 September 2021:			
Profit and total comprehensive income for the year	-	71,901	71,901
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2021	100	43,544	43,644
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Company information

Drunken Sailor Holidays Limited is a private company limited by shares incorporated in England and Wales. The registered office is Horse & Groom Village Inn, Upper Oddington, Moreton-In-Marsh, GL56 0XH.

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.

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of Value Added Tax and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Sales from the sale of beverages and food is included in sales on the day of the sale and excluding Value Added Tax and customer discounts.

Sales for accommodation services are included in sales on the day of the sale and excluding Value Added Tax and customer discounts.

Rental income is recognised in the accounts in the period that the rental income relates.

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.

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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:

Freehold land and buildings	Straight line at 2% per annum
Plant and equipment	Straight line over 3 years
Fixtures and fittings	Straight line over 3 years
Computers	Straight line over 3 years

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 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.

1.6 Stocks

Stocks 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 stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks 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.

1.7 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.

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

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

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 Retirement benefits

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

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 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.

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2021 Number	2020 Number
9	9

4 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 October 2020	862,830	62,501	9,078	-	934,409
Additions	-	14,639	3,350	5,958	23,947
At 30 September 2021	862,830	77,140	12,428	5,958	958,356
Depreciation and impairment					
At 1 October 2020	5,256	27,630	4,565	-	37,451
Depreciation charged in the year	5,256	25,713	4,143	1,986	37,098
At 30 September 2021	10,512	53,343	8,708	1,986	74,549
Carrying amount					
At 30 September 2021	852,318	23,797	3,720	3,972	883,807
At 30 September 2020	857,574	34,871	4,513	-	896,958

5 Stocks

	2021 £	2020 £
Finished goods and goods for resale	7,000	7,250

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	3,028	2,128
Prepayments and accrued income	350	-
	<u>3,378</u>	<u>2,128</u>

7 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	9	61,643	-
Corporation tax		6,798	-
Other taxation and social security		12,965	11,316
Other creditors		14,200	27,588
Accruals and deferred income		2,000	2,000
		<u>97,606</u>	<u>40,904</u>

8 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans and overdrafts	9	581,719	688,196
Other borrowings	9	224,391	243,500
		<u>806,110</u>	<u>931,696</u>

9 Loans and overdrafts

	2021	2020
	£	£
Bank loans	643,362	688,196
Other loans	224,391	243,500
	<u>867,753</u>	<u>931,696</u>
Payable within one year	61,643	-
Payable after one year	806,110	931,696

DRUNKEN SAILOR HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated capital allowances	2,998	4,307
	<u>2,998</u>	<u>4,307</u>
Movements in the year:		2021 £
Liability at 1 October 2020		4,307
Credit to profit or loss		(1,309)
		<u>2,998</u>
Liability at 30 September 2021		<u>2,998</u>

11 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12 Related party transactions

Drunken Sailor Media Limited is a company incorporated in England and Wales and related to Drunken Sailor Holidays Limited by virtue of Norman Liu being a common director and shareholder. At the balance sheet date the company owed Drunken Sailor Media Limited £14,200 (30 September 2020 £25,000). The loan was interest free and repayable on demand.

13 Directors' transactions

The directors have loaned the company funds to finance the fixed assets held in the company and provide working capital. At the balance sheet date creditors include £224,391 (30 September 2020 £243,500) owed to the directors.

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.