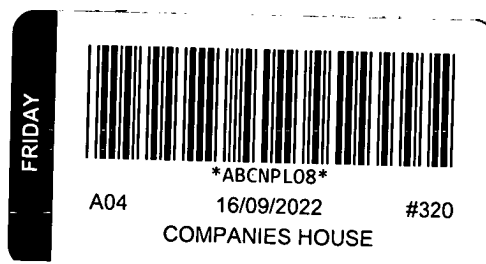

DAISH'S ESPLANADE HOTEL LTD

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 30 SEPTEMBER 2021



DAISH'S ESPLANADE HOTEL LTD
REGISTERED NUMBER: 12404830

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	346,875	365,625
Tangible assets	5	1,088,587	288,130
		<u>1,435,462</u>	<u>653,755</u>
Current assets			
Stocks		8,942	9,271
Debtors: amounts falling due within one year	6	48,564	70,073
Cash at bank and in hand	7	10,554	23,172
		<u>68,060</u>	<u>102,516</u>
Creditors: amounts falling due within one year	8	(1,558,207)	(812,690)
Net current liabilities		<u>(1,490,147)</u>	<u>(710,174)</u>
Total assets less current liabilities		<u>(54,685)</u>	<u>(56,419)</u>
Provisions for liabilities			
Deferred tax	9	(41,193)	(27,691)
Net liabilities		<u>(95,878)</u>	<u>(84,110)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(95,978)	(84,210)
		<u>(95,878)</u>	<u>(84,110)</u>

DAISH'S ESPLANADE HOTEL LTD
REGISTERED NUMBER: 12404830

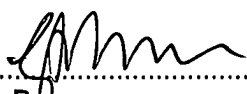
BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
G A Brown
Director

Date: 02/09/22

The notes on pages 3 to 10 form part of these financial statements.

DAISH'S ESPLANADE HOTEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

The Daish's Esplanade Hotel Limited is a limited company incorporated in the United Kingdom, registered office The Devonshire Hotel, Park Hill Road, Torquay, Devon, TQ1 2DY, principal place of business Esplanade Hotel, Belmont Road, Scarborough, YO11 2AA.

The principal activity of the company during the year was the operation of a hotel.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

During the year, the Company continued to experience business disruption as a consequence of the global coronavirus outbreak. The hotel and travel sector has been one of the worst to be affected. Daish's Group is well funded and has taken a financially prudent stance for many years, which places it in a strong position to weather disruptions to normal business. We have a long standing and loyal customer base and the directors had every reason to expect a return to normal occupancy rates as soon as it became feasible. The result for the year demonstrates the company returned to strong income patterns when lockdown rules permitted, and subsequent operations have proved robust. Consequently the directors are satisfied that the going concern basis of preparation of these accounts is appropriate.

2.3 Revenue

Revenue represents the fair value of consideration receivable, excluding Value Added Tax, in the ordinary course of business for accommodation services and related hotel goods provided. Accommodation sales, including deposits received in advance, are recognised as turnover at the date of stay.

2.4 Operating leases: the Company as lessee

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

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

DAISH'S ESPLANADE HOTEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life, being 20 years.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

DAISH'S ESPLANADE HOTEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25% straight line
Fixtures and fittings	-	15% straight line
Office equipment	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Leasehold Improvements

Leasehold improvements are included in the balance sheet at cost and are not depreciated as they are considered to have an indefinite useful economic life. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to ensure a fair presentation of the financial performance of the company and its position at the balance sheet date.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Debtors

Short term debtors are measured at transaction price, less any provision for bad or doubtful debt.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price.

3. Employees

The average monthly number of employees, including directors, during the year was 33 (2020 - 36).

DAISH'S ESPLANADE HOTEL LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4. Intangible assets

	Goodwill £
Cost	
At 1 October 2020	375,000
At 30 September 2021	<u>375,000</u>
Amortisation	
At 1 October 2020	9,375
Charge for the year on owned assets	18,750
At 30 September 2021	<u>28,125</u>
Net book value	
At 30 September 2021	<u>346,875</u>
At 30 September 2020	<u>365,625</u>

DAISH'S ESPLANADE HOTEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

5. Tangible fixed assets

	Leasehold improve- ments £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 October 2020	142,388	25,000	130,616	1,693	299,697
Additions	771,515	11,170	42,153	6,938	831,776
At 30 September 2021	<u>913,903</u>	<u>36,170</u>	<u>172,769</u>	<u>8,631</u>	<u>1,131,473</u>
Depreciation					
At 1 October 2020	-	3,125	8,407	35	11,567
Charge for the year on owned assets	-	7,593	23,060	666	31,319
At 30 September 2021	<u>-</u>	<u>10,718</u>	<u>31,467</u>	<u>701</u>	<u>42,886</u>
Net book value					
At 30 September 2021	<u>913,903</u>	<u>25,452</u>	<u>141,302</u>	<u>7,930</u>	<u>1,088,587</u>
At 30 September 2020	<u>142,388</u>	<u>21,875</u>	<u>122,209</u>	<u>1,658</u>	<u>288,130</u>

6. Debtors

	2021 £	2020 £
Other debtors	35,735	62,294
Prepayments and accrued income	12,829	7,779
	<u>48,564</u>	<u>70,073</u>

DAISH'S ESPLANADE HOTEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	10,554	23,172
	<u>10,554</u>	<u>23,172</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	87,912	125,271
Amounts owed to group undertakings	1,381,585	617,750
Other taxation and social security	20,603	18,861
Other creditors	2,229	2,236
Accruals and deferred income	65,878	48,572
	<u>1,558,207</u>	<u>812,690</u>

9. Deferred taxation

	2021 £
At beginning of year	(27,691)
Charged to profit or loss	(13,502)
At end of year	<u>(41,193)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(41,193)	(27,691)
	<u>(41,193)</u>	<u>(27,691)</u>

DAISH'S ESPLANADE HOTEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

10. Contingent liabilities

The company is party to a group banking facility under which the company has provided a debenture in support of its own borrowings and those of other group companies. At the balance sheet date the total indebtedness of the group secured in favour of its bankers was £10,878,602 (2020: £7,618,803).

11. Pension commitments

The company operates a defined contribution pensions scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £6,737 (2020 - £1,472). £2,221 (2020 - £2,234) was payable to the fund at the balance sheet date.

12. Commitments under operating leases

At 30 September 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	14,984	12,780
Later than 1 year and not later than 5 years	37,347	72,719
	<u>52,331</u>	<u>85,499</u>

13. Controlling party

The smallest and largest group in which the company's results are included are the consolidated accounts of the ultimate parent company, Daish's Group Limited. These are available to the public and may be obtained from:

The Devonshire Hotel
Park Hill Road
Torquay
Devon
TQ1 2DY

The ultimate controlling party is J R Wilson, a director.

DAISH'S ESPLANADE HOTEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

14. Auditors' information

In accordance with section 444A of the Companies Act 2006, the company is subject to the small companies regime and as such the directors have not delivered to the Registrar a copy of the company's profit and loss account or a copy of the directors' report. The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 section 1A - small entities.

The financial statements of the company were audited by Hillier Hopkins LLP (Registered Auditor). The auditor's report was unqualified and signed by Jonathan Franks FCA as Senior Statutory Auditor for and on behalf of Hillier Hopkins LLP.