

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2015
for
WELLS HOTELS LIMITED**

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WELLS HOTELS LIMITED

Company Information for the Year Ended 31 March 2015

Directors:

N Wells
I Wells
M Wells

Registered office:

School Road
Gartocharn
Alexandria
Dunbartonshire
G83 8RW

Registered number:

SC333116 (Scotland)

Auditors:

James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

WELLS HOTELS LIMITED

Group Strategic Report for the Year Ended 31 March 2015

The directors present their strategic report of the company and the group for the year ended 31 March 2015.

Review of business

The company acts as a holding company and the principal activity of the group during the year continued to be that of proprietor of hotels and tour operator. The group arranges coach tours based around its hotels in Scotland.

Financial key performance indicators

Financial performance during the year can be analysed as follows:

Financial performance	31 March 2015	31 March 2014
Turnover (£000)	22,213	21,764
Net profit (£000)	1,962	1,275
Sales growth (%)	2.1	5.8

Turnover

The group enjoyed a further year of growth, with turnover reaching £22.2m, (2014 - £21.8m), a positive result given the competitive nature of the market in which the group operates.

Operating costs

Overheads were broadly at the same level as the previous year, and the group benefited from the sale of two surplus houses during the year which generated a gain of £250k. These factors contributed to an increase in the net profit for the year to £1.9m (2014 - £1.3m).

Financing

The group has no external funding.

Principal risks and uncertainties

The group faces a number of risks and uncertainties. In response to this the directors have implemented a risk management system to monitor and mitigate these risks.

General economic conditions throughout the year continued to be difficult with falling levels of disposable income. The increased turnover in the year reflects the value of the holidays provided. The group continues to invest in its hotels to remain competitive. Costs are carefully monitored to ensure supplier inflation is minimised.

Future developments

The directors anticipate the business environment will remain competitive and the group will continue with the upgrading of its earlier properties. The group is in a strong financial position and the directors remain confident that the group can maintain its financial performance.

WELLS HOTELS LIMITED

Group Strategic Report for the Year Ended 31 March 2015

Financial instruments

The group has a normal exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The group does not enter into any hedging transactions.

On behalf of the board:

A handwritten signature in black ink, appearing to be 'N Wells', consisting of several loops and a long horizontal stroke.

N Wells - Director

17 November 2015

WELLS HOTELS LIMITED

Report of the Directors for the Year Ended 31 March 2015

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2015.

Dividends

No interim dividends were paid during the year ended 31 March 2015.

The directors recommend final dividends per share as follows:

Ordinary £1 shares	£16.66
Preference £1 shares	NIL

The total distribution of dividends for the year ended 31 March 2015 will be £200,000.

Directors

The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

N Wells

I Wells

M Wells

Political donations and expenditure

In response to the uncertainty surrounding the Scottish independence referendum, a contribution was made during the year to the Better Together campaign totalling £7,499.

Disabled Employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee Involvement

It is the company's policy to keep employees informed on matters affecting them as employees and to make them aware of the factors influencing the company's performance. This is done through announcement and staff briefings

Disclosure in the strategic report

The group has chosen in accordance with s414C(11) Companies Act 2006 to set out in the group's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

WELLS HOTELS LIMITED

Report of the Directors for the Year Ended 31 March 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 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 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

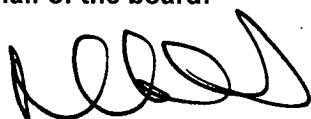
Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director 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 group's auditors are aware of that information.

Auditors

The auditors, James Anderson & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:



N Wells - Director

17 November 2015

Report of the Independent Auditors to the Members of Wells Hotels Limited

We have audited the financial statements of Wells Hotels Limited for the year ended 31 March 2015 on pages eight to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2015 and of the group's profit 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.

Opinion on other matter prescribed by the Companies Act 2006


In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Wells Hotels Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Christopher Spalding (Senior Statutory Auditor)
for and on behalf of James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

25 November 2015

WELLS HOTELS LIMITED**Consolidated Profit and Loss Account
for the Year Ended 31 March 2015**

	Notes	2015 £	2014 £
Turnover	2	22,213,355	21,764,423
Cost of sales		(17,506,740)	(17,449,754)
Gross profit		4,706,615	4,314,669
Administrative expenses		(2,737,280)	(3,031,420)
Operating profit	4	1,969,335	1,283,249
Interest receivable and similar income		-	45
		1,969,335	1,283,294
Interest payable and similar charges	5	(7,723)	(8,729)
Profit on ordinary activities before taxation		1,961,612	1,274,565
Tax on profit on ordinary activities	6	(378,182)	(365,387)
Profit for the financial year for the group		1,583,430	909,178

Continuing operations

None of the group's activities were acquired or discontinued during the current year or previous year.

Total recognised gains and losses

The group has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

WELLS HOTELS LIMITED (REGISTERED NUMBER: SC333116)**Consolidated Balance Sheet
31 March 2015**

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	9	27,111,627	27,992,970
Investments	10	-	-
		<u>27,111,627</u>	<u>27,992,970</u>
Current assets			
Stocks	11	96,600	84,892
Debtors	12	330,842	444,523
Cash at bank		2,067,990	161,104
		<u>2,495,432</u>	<u>690,519</u>
Creditors			
Amounts falling due within one year	13	(6,914,893)	(7,329,747)
Net current liabilities		<u>(4,419,461)</u>	<u>(6,639,228)</u>
Total assets less current liabilities		22,692,166	21,353,742
Creditors			
Amounts falling due after more than one year	14	(433,069)	(463,069)
Provisions for liabilities	15	(202,892)	(217,898)
Net assets		<u>22,056,205</u>	<u>20,672,775</u>
Capital and reserves			
Called up share capital	16	3,512,000	3,512,000
Profit and loss account	17	18,544,205	17,160,775
Shareholders' funds	20	<u>22,056,205</u>	<u>20,672,775</u>

The financial statements were approved by the Board of Directors on 17 November 2015 and were signed on its behalf by:



N Wells - Director

The notes form part of these financial statements

WELLS HOTELS LIMITED (REGISTERED NUMBER: SC333116)**Company Balance Sheet
31 March 2015**

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	9	-	-
Investments	10	17,747,440	31,817,440
		<u>17,747,440</u>	<u>31,817,440</u>
Current assets			
Cash at bank		919	61
Creditors			
Amounts falling due within one year	13	(2,523,174)	(17,242,876)
Net current liabilities		<u>(2,522,255)</u>	<u>(17,242,815)</u>
Total assets less current liabilities		15,225,185	14,574,625
Creditors			
Amounts falling due after more than one year	14	(40,800)	(60,800)
Net assets		<u>15,184,385</u>	<u>14,513,825</u>
Capital and reserves			
Called up share capital	16	3,512,000	3,512,000
Share premium	17	5,647,200	5,647,200
Profit and loss account	17	6,025,185	5,354,625
Shareholders' funds	20	<u>15,184,385</u>	<u>14,513,825</u>

The financial statements were approved by the Board of Directors on 17 November 2015 and were signed on its behalf by:



N Wells - Director

The notes form part of these financial statements

WELLS HOTELS LIMITED

**Consolidated Cash Flow Statement
for the Year Ended 31 March 2015**

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	2,864,706	2,362,713
Returns on investments and servicing of finance	2	(7,723)	(8,684)
Taxation		(398,000)	(309,815)
Capital expenditure	2	289,576	(229,160)
Equity dividends paid		(200,000)	-
		<u>2,548,559</u>	<u>1,815,054</u>
Financing	2	(641,673)	(991,772)
Increase in cash in the period		<u>1,906,886</u>	<u>823,282</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		1,906,886	823,282
Cash outflow from decrease in debt		-	500,000
		<u>1,906,886</u>	<u>1,323,282</u>
Change in net funds resulting from cash flows		1,906,886	1,323,282
Movement in net funds in the period		1,906,886	1,323,282
Net funds/(debt) at 1 April		161,104	(1,162,178)
Net funds at 31 March		<u>2,067,990</u>	<u>161,104</u>

The notes form part of these financial statements

WELLS HOTELS LIMITED**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2015****1. Reconciliation of operating profit to net cash inflow from operating activities**

	2015	2014
	£	£
Operating profit	1,969,335	1,283,249
Depreciation charges	842,118	918,620
Profit on disposal of fixed assets	(250,351)	-
(Increase)/decrease in stocks	(11,708)	1,423
Decrease/(increase) in debtors	113,681	(104,403)
Increase in creditors	201,631	263,824
Net cash inflow from operating activities	2,864,706	2,362,713

2. Analysis of cash flows for headings netted in the cash flow statement

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	-	45
Interest paid	(7,723)	(8,729)
Net cash outflow for returns on investments and servicing of finance	(7,723)	(8,684)
Capital expenditure		
Purchase of tangible fixed assets	(290,740)	(264,165)
Sale of tangible fixed assets	580,316	35,005
Net cash inflow/(outflow) for capital expenditure	289,576	(229,160)
Financing		
Loan repayments in year	-	(500,000)
Amount introduced by directors	200,000	20,000
Amount withdrawn by directors	(841,673)	(511,772)
Net cash outflow from financing	(641,673)	(991,772)

The notes form part of these financial statements

WELLS HOTELS LIMITED

Notes to the Consolidated Cash Flow Statement for the Year Ended 31 March 2015

3. Analysis of changes in net funds

	At 1/4/14 £	Cash flow £	At 31/3/15 £
Net cash:			
Cash at bank	161,104	1,906,886	2,067,990
	<u>161,104</u>	<u>1,906,886</u>	<u>2,067,990</u>
Total	<u>161,104</u>	<u>1,906,886</u>	<u>2,067,990</u>

The notes form part of these financial statements

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2015

1. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertaking made up to 31 March 2015. The acquisition method of accounting has been adopted.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

All fixed assets are initially recorded at cost. Expenditure on hotels is capitalised if it provides new or enhanced revenue streams.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

Government grants

Grants receivable in respect of tangible fixed assets are treated as deferred credit and are released to the profit and loss account over the estimated useful life of the assets.

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

1. Accounting policies - continued

Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets less their estimated residual value over their estimated useful lives on the undernoted basis:

Hotel properties 50 years
Motor vehicles 25% reducing balance
Motor launches 20% reducing balance
Fixtures & equipment 15% reducing balance

2. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the group.

3. Staff costs

	2015 £	2014 £
Wages and salaries	3,858,515	3,910,403
Social security costs	252,927	238,663
Other pension costs	42,775	38,406
	<u>4,154,217</u>	<u>4,187,472</u>

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

	2015	2014
Working directors	2	2
Resident managers	12	12
Administration	18	18
Hotel staff etc.	229	231
	<u>261</u>	<u>263</u>

4. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Depreciation - owned assets	842,118	918,620
Profit on disposal of fixed assets	(250,351)	-
Auditors' remuneration	10,000	10,000
Operating leases	-	3,718
	<u>86,047</u>	<u>80,215</u>
Directors' remuneration	<u>86,047</u>	<u>80,215</u>

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

4. Operating profit - continued

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	2	2
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5. Interest payable and similar charges

	2015 £	2014 £
Bank interest	1,091	6,729
Other interest	5,032	-
Interest payable	1,600	2,000
	<u>7,723</u>	<u>8,729</u>

6. Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	393,188	340,240
Deferred tax	(15,006)	25,147
Tax on profit on ordinary activities	<u>378,182</u>	<u>365,387</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>1,961,612</u>	<u>1,274,565</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	411,939	293,150
Effects of:		
Expenses not deductible for tax purposes	(1,867)	(1,583)
Capital allowances in excess of depreciation	(17,220)	-
Depreciation in excess of capital allowances	-	48,213
Other adjustments	336	460
Current tax charge	<u>393,188</u>	<u>340,240</u>

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

7. Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £870,560 (2014 - £519,548).

This arises due to inter company dividends.

8. Dividends

	2015 £	2014 £
Ordinary shares of £1 each		
Final	200,000	-

9. Tangible fixed assets

Group

	Freehold property £	Fixtures & equipment £	Motor vehicles £	Totals £
Cost				
At 1 April 2014	26,628,124	6,974,268	286,672	33,889,064
Additions	9,000	194,022	87,718	290,740
Disposals	(305,875)	-	(76,650)	(382,525)
At 31 March 2015	26,331,249	7,168,290	297,740	33,797,279
Depreciation				
At 1 April 2014	2,624,871	3,128,615	142,608	5,896,094
Charge for year	184,539	605,482	52,097	842,118
Written back on disposals	-	-	(52,560)	(52,560)
At 31 March 2015	2,809,410	3,734,097	142,145	6,685,652
Net book value				
At 31 March 2015	23,521,839	3,434,193	155,595	27,111,627
At 31 March 2014	24,003,253	3,845,653	144,064	27,992,970

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

10. Fixed asset investments

Group

	Shares in group undertakings £
Cost	
At 1 April 2014	14,070,000
Disposals	(14,070,000)
At 31 March 2015	-
Net book value	
At 31 March 2015	-
At 31 March 2014	14,070,000

Company

	Shares in group undertakings £
Cost	
At 1 April 2014	31,817,440
Disposals	(14,070,000)
At 31 March 2015	17,747,440
Net book value	
At 31 March 2015	17,747,440
At 31 March 2014	31,817,440

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

Subsidiaries

Wells (Hotels) 2008 Limited

Nature of business: Dormant

	% holding	2015 £	2014 £
Class of shares:			
Ordinary	100.00	-	14,000,000
Aggregate capital and reserves			

Wells (Hotels) 2008 Limited was dissolved on 7 August 2015.

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

10. Fixed asset investments - continued

M F Wells (Hotels) Limited

Nature of business: Hotel proprietor & tour operator

Class of shares:	%
Ordinary	holding 100.00

	2015 £	2014 £
Aggregate capital and reserves	24,619,260	23,976,390
Profit for the year	1,515,030	911,178

11. Stocks

	Group 2015 £	2014 £
Bar and catering stock	96,600	84,892

12. Debtors: amounts falling due within one year

	Group 2015 £	2014 £
Trade debtors	60,321	74,865
Other debtors	35,620	158,411
Prepayments	234,901	211,247
	330,842	444,523

13. Creditors: amounts falling due within one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	685,337	366,886	-	-
Amounts owed to group undertakings	-	-	68,685	14,136,227
Corporation tax	134,945	139,757	-	-
Taxation and social security	141,053	431,465	-	-
Other creditors	292,881	323,369	292,882	323,369
Directors' current accounts	2,161,607	2,783,280	2,161,607	2,783,280
Accruals	169,773	71,436	-	-
Deferred income	3,329,297	3,213,554	-	-
	6,914,893	7,329,747	2,523,174	17,242,876

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

14. Creditors: amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Other creditors	336,679	346,679	-	-
Directors' loan accounts	96,390	116,390	40,800	60,800
	<u>433,069</u>	<u>463,069</u>	<u>40,800</u>	<u>60,800</u>

15. Provisions for liabilities

	Group	
	2015	2014
	£	£
Deferred tax	<u>202,892</u>	<u>217,898</u>

Group

	Deferred tax £
Balance at 1 April 2014	217,898
Credit to Profit and Loss Account during year	(15,006)
Balance at 31 March 2015	<u>202,892</u>

Deferred taxation is fully provided at the current rate of corporation tax on the excess of the net book value of those assets qualifying for taxation allowance over their written down values for taxation purposes.

16. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
12,000	Ordinary	£1	12,000	12,000
3,500,000	Preference	£1	3,500,000	3,500,000
			<u>3,512,000</u>	<u>3,512,000</u>

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

17. Reserves

Group

	Profit and loss account £
At 1 April 2014	17,160,775
Profit for the year	1,583,430
Dividends	(200,000)
At 31 March 2015	<u>18,544,205</u>

Company

	Profit and loss account £	Share premium £	Totals £
At 1 April 2014	5,354,625	5,647,200	11,001,825
Profit for the year	870,560		870,560
Dividends	(200,000)		(200,000)
At 31 March 2015	<u>6,025,185</u>	<u>5,647,200</u>	<u>11,672,385</u>

18. Related party disclosures

The following related party transactions took place during the year:

Lochs and Glens (Transport) Limited - a company in which directors N Wells, I Wells and their respective wives each own 25% of the issued share capital:

	2015 £	2014 £
Management charge raised	2,620,000	2,220,000
Tour transport purchased	7,576,634	7,234,166
Debit balance at 31 March	35,620	158,411

With directors or shareholders

	M Wells £	N Wells £	I Wells £
Balance 1 April 2014	707,202	932,834	1,123,244
Introduced in the year	-	100,000	100,000
(Repaid) in year	(90,403)	(594,374)	(136,896)
Balance at 31 March 2015	<u>616,799</u>	<u>438,460</u>	<u>1,086,348</u>

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

Loan notes - (held by M Wells - director and his wife).

	£
Balance 1 April 2014	80,800
(Repaid) in year	(20,000)
Balance 31 March 2015	60,800

With The Wells Grandchildren 2008 Trust

A trust in which trustees are directors

	£
Balance 1 April 2014	235,129
Repaid in year	30,487
Balance 31 March 2015	204,642

19. Ultimate controlling party

The company is under the control of N Wells & I Wells who each own 50% of the issued share capital.

20. Reconciliation of movements in shareholders' funds

Group

	2015 £	2014 £
Profit for the financial year	1,583,430	909,178
Dividends	(200,000)	-
Net addition to shareholders' funds	1,383,430	909,178
Opening shareholders' funds	20,672,775	19,763,597
Closing shareholders' funds	22,056,205	20,672,775

Company

	2015 £	2014 £
Profit for the financial year	870,560	519,548
Dividends	(200,000)	-
Net addition to shareholders' funds	670,560	519,548
Opening shareholders' funds	14,513,825	13,994,277
Closing shareholders' funds	15,184,385	14,513,825

WELLS HOTELS LIMITED

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2015

21. Pension scheme

The group operates a money purchased (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents a contribution payable by the group to the fund and amounted to £52,775 (2014 - £48,406).