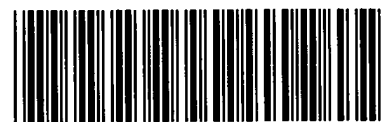


**Dolphin Hotel (Hampshire) Limited**  
**Filleted Financial Statements**  
**31 March 2020**

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COMPANIES HOUSE

**HEBBLETHWAITES**

Chartered Accountants & Statutory Auditors  
2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

# **Dolphin Hotel (Hampshire) Limited**

## **Financial Statements**

**Year ended 31 March 2020**

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<b>Contents</b>	<b>Pages</b>
Officers and professional advisers	<b>1</b>
Statement of financial position	<b>2</b>
Notes to the financial statements	<b>3 to 8</b>

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# **Dolphin Hotel (Hampshire) Limited**

## **Officers and Professional Advisers**

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### **The board of directors**

Mr N Burgin  
Mr G Dyke  
Mrs S Howes  
Mr A Rouse  
Mr G Davies

### **Registered office**

C/O Director of Finance  
Kenwood Hall Hotel  
Kenwood Road  
Sheffield  
S7 1NQ

### **Auditor**

Hebblethwaites  
Chartered Accountants & Statutory Auditors  
2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

# Dolphin Hotel (Hampshire) Limited

## Statement of Financial Position

31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	176,597	161,175
<b>Current assets</b>			
Stocks		48,225	48,163
Debtors	6	184,855	79,138
Cash at bank and in hand		452	22,173
		<u>233,532</u>	<u>149,474</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>1,057,838</u>	<u>863,091</u>
<b>Net current liabilities</b>		<u>824,306</u>	<u>713,617</u>
<b>Total assets less current liabilities</b>		<u>(647,709)</u>	<u>(552,442)</u>
<b>Net liabilities</b>		<u>(647,709)</u>	<u>(552,442)</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>(647,809)</u>	<u>(552,542)</u>
<b>Shareholders deficit</b>		<u>(647,709)</u>	<u>(552,442)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 19 March 2021, and are signed on behalf of the board by:



Mr G Davies  
Director

Company registration number: 06993733

The notes on pages 3 to 8 form part of these financial statements.

# **Dolphin Hotel (Hampshire) Limited**

## **Notes to the Financial Statements**

**Year ended 31 March 2020**

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### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is C/O Director of Finance, Kenwood Hall Hotel, Kenwood Road, Sheffield, S7 1NQ.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

# Dolphin Hotel (Hampshire) Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2020

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#### 3. Accounting policies *(continued)*

##### Going concern

At the year end date, financial statement reflects net current and net total, liabilities.

The accounts have been prepared on the going concern basis, on the understanding that the immediate shareholder of the company, Dolphin Hotel Property Limited, and ultimate parent company Vine Hotels Limited, will continue to financially support the company, where needed, to enable it to meet its liabilities as they fall due.

As at the date of approving these financial statements the impact of Covid-19 on the Company's trading continues to be assessed. Government response to the pandemic continues to evolve and customer sentiment to hotel stays and hotel based functions remains uncertain although there are indications of strong demand for weddings in 2021.

Due to the measures taken by the UK government, the Company's venue has been severely restricted with regards to the number of guests it can accommodate, for various periods, between 20 March 2020 and the date of signing these financial statements. This resulted in all affected guests being offered either a full refund or the option to move their bookings to a later date. During the closure period, the company reported vastly reduced revenue and whilst there has been a corresponding reduction in variable costs, the company had to fund fixed costs. Where possible, mitigating actions have been taken by management to minimise such costs.

Whilst it is extremely difficult to predict the future with any certainty, the management do not anticipate a return to pre-covid trading levels until the second quarter of the 2021 calendar year at the earliest.

In order to preserve liquidity during the closure periods, the Company took the following measures:

- \* Secured additional funding from the company's bank, with a significant increase in overdraft facility.
- \* A significant element of the Company's cost base relates to wages and salaries. The majority of the Company's staff were furloughed during the period affected by Covid 19 restrictions, with the Company benefitting from the Governments job retention scheme.
- \* Reviewed all remaining areas of operating cost to eliminate all non-essential expenditure.
- \* Benefitted from the Government's Business rates relief.
- \* Reviewed capital expenditure and delayed non-essential projects.

The Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis; there is a very positive diary of bookings for the company and its venues, with increased demand for functions, in particular, concentrating deferred events with new enquiries and forward reservations. There is also an increasing expectation of residential demand and occupation rates in the foreseeable future allied to the anticipated growth in the so called staycation market. This, together with the ongoing support of its shareholders, gives the directors confidence that the going concern of the business is not in doubt at this time.

# **Dolphin Hotel (Hampshire) Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2020**

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### **3. Accounting policies** *(continued)*

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements, other than those highlighted below.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for the supply of accommodation, food, drinks and related goods at the company's hotel site, stated net of discounts and of Value Added Tax.

Revenue from the sale of the above items is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	-	over the lease term
Plant and machinery	-	5 years straight line
Equipment	-	5 years straight line

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### **Stocks**

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

# **Dolphin Hotel (Hampshire) Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2020**

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### **3. Accounting policies** *(continued)*

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 40 (2019: 44).



# Dolphin Hotel (Hampshire) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

### 5. Tangible assets

	Land and buildings £	Plant and machinery £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2019	14,454	888,249	112,678	<b>1,015,381</b>
Additions	–	46,124	17,873	<b>63,997</b>
<b>At 31 March 2020</b>	<b>14,454</b>	<b>934,373</b>	<b>130,551</b>	<b>1,079,378</b>
<b>Depreciation</b>				
At 1 April 2019	14,454	737,072	102,680	<b>854,206</b>
Charge for the year	–	45,627	2,948	<b>48,575</b>
<b>At 31 March 2020</b>	<b>14,454</b>	<b>782,699</b>	<b>105,628</b>	<b>902,781</b>
<b>Carrying amount</b>				
<b>At 31 March 2020</b>	<b>–</b>	<b>151,674</b>	<b>24,923</b>	<b>176,597</b>
At 31 March 2019	–	151,177	9,998	161,175

### 6. Debtors

	2020 £	2019 £
Trade debtors	<b>46,058</b>	30,698
Other debtors	<b>138,797</b>	48,440
	<b>184,855</b>	79,138

### 7. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdraft	–	46,346
Trade creditors	<b>202,163</b>	134,639
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<b>492,995</b>	478,549
Social security and other taxes	<b>36,382</b>	25,798
Other creditors	<b>326,298</b>	177,759
	<b>1,057,838</b>	863,091

### 8. Financial risk management objectives and policies

The exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and income or expenditure of the company.

# Dolphin Hotel (Hampshire) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

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### 9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	296,577	296,577
Later than 1 year and not later than 5 years	593,154	889,731
	<u>889,731</u>	<u>1,186,308</u>

The operating lease relates to a property rented from Dolphin Hotel Property Limited, the immediate parent company of Dolphin Hotel (Hampshire) Limited. A formal lease for a period of seven years, in respect of the property, was entered into in March 2016.

### 10. Summary audit opinion

The auditor's report for the year dated 19 March 2021 was unqualified.

The senior statutory auditor was Andrew Throssell FCA, for and on behalf of Hebblethwaites.

### 11. Directors' advances, credits and guarantees

The company has entered into a deed of guarantee and indemnity made between two of its directors and the following members of the Vine Hotels Group:

Vine Hotels Limited  
Dolphin Hotel Property Limited  
Sheffield Park Hotel Property Limited  
Sheffield Park Hotel Limited

The guarantee covers loans totalling £1.65 million (2018 £2.9 million), advanced to the holding company, Vine Hotels Limited, by Mr G Dyke and Mrs S Howes.

The loans attract interest of 10% per annum and are secured by a fixed and floating charge over all assets of the group companies.

### 12. Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions with fellow 100% group companies.

### 13. Controlling party

Dolphin Hotel (Hampshire) Limited is a private limited company incorporated in England and Wales. The immediate parent company of Dolphin Hotel (Hampshire) Limited is Dolphin Hotel Property Limited. The parent company of Dolphin Hotel Property Limited is Vine Hotels Limited, which is ultimately controlled by Mrs S Howes.

The registered office of all three companies is shown on page 1 of these accounts.

Vine Hotels Limited will be preparing consolidated group accounts, which include the accounts of Dolphin Hotel Property Limited and its subsidiary, Dolphin Hotel (Hampshire) Limited.