

NOVATORS HOSPITALITY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

NOVATORS HOSPITALITY LIMITED

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NOVATORS HOSPITALITY LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2021

		31 December 2021 £	31 July 2021 £
	Note		
Current assets			
		321,042	
Debtors: amounts falling due within one year	4		454,447
		2,005	
Cash at bank and in hand			9,910
		323,047	464,357
		(1,814,696)	
Creditors: amounts falling due within one year	5		(1,682,610)
		(1,491,649)	(1,218,253)
Net current liabilities		(1,491,649)	(1,218,253)
Total assets less current liabilities		(1,491,649)	(1,218,253)
Net liabilities		(1,491,649)	(1,218,253)
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account		(1,491,650)	(1,218,254)
Total deficit		(1,491,649)	(1,218,253)

NOVATORS HOSPITALITY LIMITED**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021**

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

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 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 profit and loss account 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:

R Zelman
Director

Date: 10 August 2022

The notes on pages 3 to 7 form part of these financial statements.

NOVATORS HOSPITALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

1. General information

Novators Hospitality Limited is a private company limited by shares incorporated in England and Wales. The registered office is 37-41 Bedford Row, London, WC1R 4JH.

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency on total equity at the end of the year. The directors consider this basis to be appropriate as the company has sufficient facilities available from its shareholders to fund its working capital requirements for a period of at least twelve months from the date these financial statements were approved.

2.3 Reporting period

On 23 May 2022, the directors resolved to change the accounting reference date from 30 July to 31 December so as to be coterminous with the calendar year. These financial statements have been prepared for a 5 month period ended 31 December 2021.

As a result, the comparative information as presented within these financial statements and related notes are not entirely comparable as these represent a 12 month period to 31 July 2021.

NOVATORS HOSPITALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Government grants

Government grants comprise amounts received or receivable from HM Revenue and Customs for employees on the furlough scheme under the Coronavirus Job Retention Scheme. These are recognised in the period in which it becomes receivable.

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.

NOVATORS HOSPITALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

NOVATORS HOSPITALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

3. Employees

The average monthly number of employees, including directors, during the period was 5 (31 July 2021 - 5).

4. Debtors

	31 December 2021 £	31 July 2021 £
Other debtors	317,448	454,447
Prepayments and accrued income	3,594	-
	<u>321,042</u>	<u>454,447</u>

NOVATORS HOSPITALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

5. Creditors: Amounts falling due within one year

	31 December 2021 £	31 July 2021 £
Trade creditors	11,799	18,448
Other taxation and social security	24,321	15,866
Other creditors	1,767,243	1,641,296
Accruals and deferred income	11,333	7,000
	<u>1,814,696</u>	<u>1,682,610</u>

6. Share capital

	31 December 2021 £	31 July 2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares shares of £0.01 each	<u>1</u>	<u>1</u>

7. Related party transactions

Included in other debtors is an amount of £255,648 (31 July 2021 - £388,779) due from companies with a common director.
Included in other creditors is an amount of £Nil (31 July 2021 - £22,933) payable to a company with a common director.

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