

Company registration number 00258176 (England and Wales)

THE COURT HOTEL (BROMLEY) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

THE COURT HOTEL (BROMLEY) LIMITED

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THE COURT HOTEL (BROMLEY) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
Fixed assets			
Intangible assets	5	11,000	-
Tangible assets	6	1,105,747	1,199,757
Investment properties	7	675,000	-
Investments	8	632,020	632,020
		<u>2,423,767</u>	<u>1,831,777</u>
Current assets			
Stocks		19,598	8,455
Debtors falling due after more than one year	9	3,144	93,957
Debtors falling due within one year	9	240,147	205,392
Cash at bank and in hand		2,343,592	1,846,283
		<u>2,606,481</u>	<u>2,154,087</u>
Creditors: amounts falling due within one year	10	<u>(748,190)</u>	<u>(358,614)</u>
Net current assets		<u>1,858,291</u>	<u>1,795,473</u>
Net assets		<u>4,282,058</u>	<u>3,627,250</u>
Capital and reserves			
Called up share capital		130,000	130,000
Revaluation reserve		535,434	-
Capital redemption reserve		20,000	20,000
Profit and loss reserves		3,596,624	3,477,250
Total equity		<u>4,282,058</u>	<u>3,627,250</u>

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

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

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

D A Guile
Director

Company Registration No. 00258176

THE COURT HOTEL (BROMLEY) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
Balance at 1 April 2020	130,000	-	20,000	3,844,482	3,994,482
Year ended 31 March 2021:					
Loss and total comprehensive income for the year	-	-	-	(367,232)	(367,232)
Balance at 31 March 2021	130,000	-	20,000	3,477,250	3,627,250
Year ended 31 March 2022:					
Profit and total comprehensive income for the year	-	-	-	904,808	904,808
Dividends	-	-	-	(250,000)	(250,000)
Revaluation of investment property	-	535,434	-	(535,434)	-
Balance at 31 March 2022	130,000	535,434	20,000	3,596,624	4,282,058

THE COURT HOTEL (BROMLEY) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	16		890,055		(314,494)
Income taxes paid			(1,413)		(4,703)
Net cash inflow/(outflow) from operating activities			888,642		(319,197)
Investing activities					
Purchase of intangible assets		(12,000)		-	
Purchase of tangible fixed assets		(135,090)		-	
Interest received		5,757		7,439	
Net cash (used in)/generated from investing activities			(141,333)		7,439
Financing activities					
Dividends paid		(250,000)		-	
Net cash used in financing activities			(250,000)		-
Net increase/(decrease) in cash and cash equivalents			497,309		(311,758)
Cash and cash equivalents at beginning of year			1,846,283		2,158,041
Cash and cash equivalents at end of year			2,343,592		1,846,283

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

The Court Hotel (Bromley) Limited (the 'company') is a private company limited by shares incorporated in England and Wales. The registered office is The Bromley Court Hotel, Bromley Hill, Bromley, Kent, BR14JD.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 Turnover

Turnover represents net invoiced sales of goods and services (being room income, restaurant sales and other usual supplies made by a hotel) exclusive of value added tax and trade discounts. Turnover is recognised once the performance of the service has been concluded or goods have been delivered.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Website development	20% on cost
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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.

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 property	2% on cost
Fixtures, fittings & equipment	10 - 20% on cost
Plant and machinery	10 - 20% on cost
Computer equipment	20% on cost

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.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Investment properties

Investment property is property held to earn rentals and/or for capital appreciation.

Initially, investment property is recognised at cost, which includes the purchase cost and any directly attributable expenditure.

When a property which was previously owner-occupied meets the definition of investment property, the underlying tangible fixed asset policy is applied up to the date of change in use. Any difference at the date of change in use, between the carrying amount of the property (as a tangible fixed asset) and its fair value at that date, is accounted for as a revaluation by way of a credit to the revaluation reserve. In this way, the fair value at the point of transfer is recognised as the deemed cost of the investment property.

Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price.

Cost is calculated using the weighted average method.

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.

1.9 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.10 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.

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.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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, 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

1.11 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.

1.12 Taxation

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

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 is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.13 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.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.14 Retirement benefits

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to fund in respect of the year.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the profit or loss account on a straight line basis over the term of the relevant lease. Where COVID-19 rental concessions have been received, the company recognises the concession on a systematic basis over the periods the change in lease payments is intended to compensate.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.16 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.

1.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

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 Administrative expenses

Management appointed an agent to request a review of the rateable value of its freehold property. They were successful in their negotiations with the Valuation Officer, resulting in a reduction in the rateable value from 1 April 2017.

In 2021, the company received £205,956 from the local council in respect of previous accounting periods, this was included within administrative expenses.

There were no such credits arising in 2022.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Employees

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

	2022 Number	2021 Number
Total	136	114

5 Intangible fixed assets

	Website Development £
Cost	
At 1 April 2021	-
Additions	12,000
At 31 March 2022	12,000
Amortisation and impairment	
At 1 April 2021	-
Amortisation charged for the year	1,000
At 31 March 2022	1,000
Carrying amount	
At 31 March 2022	11,000
At 31 March 2021	-

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Tangible fixed assets

	Freehold property	Fixtures, fittings and equipment	Plant and machinery	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2021	2,721,639	1,215,708	265,902	230,065	4,433,314
Additions	1,411	80,352	53,327	-	135,090
Disposals	-	(430,258)	(16,643)	(230,065)	(676,966)
Transfer to investment property	(53,378)	-	-	-	(53,378)
At 31 March 2022	2,669,672	865,802	302,586	-	3,838,060
Depreciation and impairment					
At 1 April 2021	2,220,507	695,584	87,401	230,065	3,233,557
Depreciation charged in the year	54,173	88,911	38,389	-	181,473
Eliminated in respect of disposals	-	(403,337)	(9,907)	(230,065)	(643,309)
Transfer to investment property	(39,408)	-	-	-	(39,408)
At 31 March 2022	2,235,272	381,158	115,883	-	2,732,313
Carrying amount					
At 31 March 2022	434,400	484,644	186,703	-	1,105,747
At 31 March 2021	501,132	520,124	178,501	-	1,199,757

7 Investment property

	2022 £
Fair value	
At 1 April 2021	-
Transfers	13,970
Revaluations	661,030
At 31 March 2022	675,000

On 1 January 2022, a property previously occupied by the company was rented out to a third party and met the definition of an investment property. On this date, the carrying amount of the property was £13,970 and its fair value was £675,000.

The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors at the date of transfer and at the reporting date. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The historic cost of the investment property is £53,378.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	632,020	632,020

Fixed asset investments not carried at market value

The company holds 49% of the share capital of Heathland Hotels Limited, a company incorporated in England & Wales. Fixed asset investments are held at fair value.

Movements in fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2021 & 31 March 2022	1,043,020
Impairment	
At 1 April 2021 & 31 March 2022	411,000
Carrying amount	
At 1 April 2021 & 31 March 2022	632,020

9 Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	73,967	22,563
Other debtors	-	66,182
Prepayments and accrued income	166,180	116,647
	240,147	205,392

	2022 £	2021 £
Amounts falling due after more than one year:		
Deferred tax asset (note 11)	3,144	93,957
Total debtors	243,291	299,349

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	220,218	40,049
Corporation tax	77,109	1,413
Other taxation and social security	109,618	21,282
Other creditors	341,245	295,870
	<u>748,190</u>	<u>358,614</u>

11 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2022 £	Assets 2021 £
Balances:		
Accelerated capital allowances	(33,146)	(56,362)
Tax losses	197,788	150,319
Retirement benefit obligations	3,760	-
Investment property	(165,258)	-
	<u>3,144</u>	<u>93,957</u>
Movements in the year:		2022 £
Asset at 1 April 2021		(93,957)
Charge to profit or loss		90,813
Asset at 31 March 2022		<u>(3,144)</u>

Deferred tax is recognised in respect of tax losses of £791,152 (2021: £791,152) as it is probable that they will be recovered against future taxable profits.

12 Retirement benefit schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £19,792 (2021: £13,595) were payable to the fund at the balance sheet date and are included within other creditors.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Marc Farmer FCA and the auditor was Azets Audit Services.

14 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
	29,045	45,143
	<u> </u>	<u> </u>
Reduction in rent payments recognised in profit or loss arising from the COVID-19 pandemic	6,000	11,000
	<u> </u>	<u> </u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

2022 £	2021 £
13,200	-
<u> </u>	<u> </u>

15 Related party transactions

During the year the company entered into the following transactions with related parties:

During the period two (2021: two) directors charged the company for property rental, amounting to £10,417 (2021: £21,000).

Another director charged the company director fees during the year. At the year end, £nil (2021: £2,470) was owed to the director for these services.

At the year end, £4,000 (2021: £nil) was owed to a director in respect of a bonus.

THE COURT HOTEL (BROMLEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Cash generated from/(absorbed by) operations

	2022 £	2021 £
Profit/(loss) for the year after tax	904,808	(367,232)
Adjustments for:		
Taxation charged/(credited)	167,922	(86,449)
Investment income	(5,757)	(7,439)
Loss on disposal of tangible fixed assets	33,657	-
Fair value gain on investment properties	(661,030)	-
Amortisation and impairment of intangible assets	1,000	-
Depreciation and impairment of tangible fixed assets	181,473	210,898
Movements in working capital:		
(Increase)/decrease in stocks	(11,143)	18,539
(Increase)/decrease in debtors	(34,755)	9,839
Increase/(decrease) in creditors	313,880	(92,650)
Cash generated from/(absorbed by) operations	890,055	(314,494)

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.