

**REGISTERED NUMBER: 01325054 (England and Wales)**

**Strategic Report, Report of the Directors and**

**Financial Statements**

**for the Year Ended 30 April 2019**

**for**

**Downs Holdings Limited**

**Contents of the Financial Statements**  
**for the Year Ended 30 April 2019**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Statement of Comprehensive Income</b>	<b>6</b>
<b>Statement of Financial Position</b>	<b>7</b>
<b>Statement of Changes in Equity</b>	<b>8</b>
<b>Statement of Cash Flows</b>	<b>9</b>
<b>Notes to the Statement of Cash Flows</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11</b>

**Downs Holdings Limited**  
**Company Information**  
**for the Year Ended 30 April 2019**

**DIRECTORS:** Mrs A Downs  
Mr S M Downs

**SECRETARY:** Mr S M Downs

**REGISTERED OFFICE:** Kirklevington Hall Farm  
Kirklevington  
Yarm  
Cleveland  
TS15 9LW

**REGISTERED NUMBER:** 01325054 (England and Wales)

**AUDITORS:** Anderson Barrowcliff LLP  
Statutory Auditor  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

**Strategic Report**  
**for the Year Ended 30 April 2019**

The directors present their strategic report for the year ended 30 April 2019.

**REVIEW OF BUSINESS**

During the year the company has continued to operate its two hotels to the same exacting standards set in prior years. Whilst turnover has decreased slightly compared to the previous year, the company has achieved a profit before tax of £169,895 (2018: £184,499).

**PRINCIPAL RISKS AND UNCERTAINTIES**

In common with other businesses in the hotel industry, the principal risks affecting the performance are the general economic climate and both personal and corporate attitudes towards discretionary expenditure. The Directors believe they have taken adequate steps to mitigate these risks. The year end position of the company is considered satisfactory, with potential for sustained profitability albeit at a reduced level for the next number of years.

In common with other businesses, the company aims to minimise financial risk wherever possible. The measures used by the directors to manage risk include the preparation of forecasts, regular monitoring of actual performance against these forecasts, and ensuring adequate sources of finance are in place to meet the requirements of the business.

**FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprise bank balances, hire purchase agreements, trade creditors, trade debtors and bank and other loans. The main purpose of these instruments is to raise funds for and finance the company's operations.

**KEY PERFORMANCE INDICATORS**

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the entity, and all the relevant financial information has been disclosed within the financial statements.

**ON BEHALF OF THE BOARD:**

Mr S M Downs - Secretary

24 January 2020

**Report of the Directors**  
**for the Year Ended 30 April 2019**

The directors present their report with the financial statements of the company for the year ended 30 April 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of hoteliers.

The directors do not anticipate any significant future changes or developments.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2019.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2018 to the date of this report.

Mrs A Downs

Mr S M Downs

**DISCLOSURE IN THE STRATEGIC REPORT**

The following items required to be disclosed in the Directors' Report are set out in the Strategic Report in accordance with s.414C(11) CA 200

Financial Instruments

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the company 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**

Mr S M Downs - Secretary

24 January 2020

**Report of the Independent Auditors to the Members of**  
**Downs Holdings Limited**

**Opinion**

We have audited the financial statements of Downs Holdings Limited (the 'company') for the year ended 30 April 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of**  
**Downs Holdings Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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.

David Shawcross FCA (Senior Statutory Auditor)  
for and on behalf of Anderson Barrowcliff LLP  
Statutory Auditor  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

24 January 2020

**Downs Holdings Limited (Registered number: 01325054)**

**Statement of Comprehensive Income**  
**for the Year Ended 30 April 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	<b>3,888,438</b>	4,092,423
Cost of sales		<u>682,232</u>	<u>718,278</u>
<b>GROSS PROFIT</b>		<b>3,206,206</b>	3,374,145
Administrative expenses		<u>2,863,125</u>	<u>3,039,677</u>
		<b>343,081</b>	334,468
Other operating income		<u>4,220</u>	<u>16,348</u>
<b>OPERATING PROFIT</b>		<b>347,301</b>	350,816
Interest receivable and similar income		<u>1</u>	<u>-</u>
		<b>347,302</b>	350,816
Interest payable and similar expenses	5	<u>177,407</u>	<u>166,317</u>
<b>PROFIT BEFORE TAXATION</b>	6	<b>169,895</b>	184,499
Tax on profit	7	<u>39,000</u>	<u>58,000</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>130,895</b>	126,499
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE YEAR</b>		<u><b>130,895</b></u>	<u>126,499</u>

The notes form part of these financial statements



**Downs Holdings Limited (Registered number: 01325054)**

**Statement of Financial Position**  
**30 April 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		<b>6,725,894</b>		6,899,809
<b>CURRENT ASSETS</b>					
Stocks	9	<b>72,855</b>		88,078	
Debtors	10	<b>690,518</b>		790,145	
Cash at bank and in hand		<b>295,937</b>		131,106	
		<b>1,059,310</b>		1,009,329	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<b>1,739,719</b>		<b>1,921,588</b>	
<b>NET CURRENT LIABILITIES</b>			<b>(680,409)</b>		<b>(912,259)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>6,045,485</b>		<b>5,987,550</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<b>(4,019,674)</b>		<b>(4,131,634)</b>
<b>PROVISIONS FOR LIABILITIES</b>	17		<b>(97,000)</b>		<b>(58,000)</b>
<b>NET ASSETS</b>			<b>1,928,811</b>		<b>1,797,916</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		<b>25,000</b>		25,000
Retained earnings	19		<b>1,903,811</b>		1,772,916
<b>SHAREHOLDERS' FUNDS</b>			<b>1,928,811</b>		<b>1,797,916</b>

The financial statements were approved by the Board of Directors on 24 January 2020 and were signed on its behalf by:

Mr S M Downs - Director

**Downs Holdings Limited (Registered number: 01325054)**

**Statement of Changes in Equity**  
**for the Year Ended 30 April 2019**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 May 2017</b>	25,000	1,646,417	1,671,417
<b>Changes in equity</b>			
Total comprehensive income	-	126,499	126,499
<b>Balance at 30 April 2018</b>	<u>25,000</u>	<u>1,772,916</u>	<u>1,797,916</u>
<b>Changes in equity</b>			
Total comprehensive income	-	130,895	130,895
<b>Balance at 30 April 2019</b>	<u>25,000</u>	<u>1,903,811</u>	<u>1,928,811</u>

The notes form part of these financial statements

**Downs Holdings Limited (Registered number: 01325054)**

**Statement of Cash Flows**  
**for the Year Ended 30 April 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	435,150	232,547
Interest paid		(177,407)	(166,317)
Tax paid		(52,007)	(13,437)
Net cash from operating activities		<u>205,736</u>	<u>52,793</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,553)	(72,929)
Interest received		1	-
Net cash from investing activities		<u>(6,552)</u>	<u>(72,929)</u>
<b>Cash flows from financing activities</b>			
New loans in year		250,000	350,000
Loan capital repayments		(285,929)	(600,989)
Hire purchase capital repayments		(2,219)	(5,917)
Amount introduced by directors		25,000	-
Amount withdrawn by directors		(21,205)	(9,846)
Net cash from financing activities		<u>(34,353)</u>	<u>(266,752)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>164,831</u>	<u>(286,888)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	131,106	417,994
<b>Cash and cash equivalents at end of year</b>	2	<u>295,937</u>	<u>131,106</u>

The notes form part of these financial statements

**Notes to the Statement of Cash Flows**  
**for the Year Ended 30 April 2019**

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	169,895	184,499
Depreciation charges	180,468	188,773
Finance costs	177,407	166,317
Finance income	(1)	-
	<u>527,769</u>	<u>539,589</u>
Decrease/(increase) in stocks	15,223	(9,215)
Decrease/(increase) in trade and other debtors	95,832	(90,433)
Decrease in trade and other creditors	<u>(203,674)</u>	<u>(207,394)</u>
<b>Cash generated from operations</b>	<b><u>435,150</u></b>	<b><u>232,547</u></b>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 30 April 2019**

	30.4.19	1.5.18
	£	£
Cash and cash equivalents	<u>295,937</u>	<u>131,106</u>

**Year ended 30 April 2018**

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	<u>131,106</u>	<u>417,994</u>

**Notes to the Financial Statements**  
**for the Year Ended 30 April 2019**

**1. STATUTORY INFORMATION**

Downs Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts in respect of the sale of goods and services.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- Between 1% and 1 1/3% on cost
Long leasehold	- Over period of lease
Plant, machinery, fixtures & fittings	- Between 10% and 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation is not provided on freehold land.

The company capitalises directly attributable finance costs on tangible fixed assets in the course of construction. Rates of capitalisation depend on whether a specific loan has been taken out (when the actual interest rate and interest paid are used), or whether the construction has been financed by general borrowings. Other directly attributable finance costs actually incurred are also capitalised where appropriate.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

The company operates defined contribution pension schemes. Contributions are charged to the Profit and Loss as they accrue.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss.

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

2. **ACCOUNTING POLICIES - continued**

**Judgements and key sources of estimation uncertainty**

In the application of the companies accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. **TURNOVER**

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

4. **EMPLOYEES AND DIRECTORS**

	2019	2018
	£	£
Wages and salaries	1,578,189	1,684,631
Social security costs	63,875	80,861
Other pension costs	20,349	10,165
	<u>1,662,413</u>	<u>1,775,657</u>

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

	2019	2018
Directors	2	2
Hotel and catering	141	149
	<u>143</u>	<u>151</u>

	2019	2018
	£	£
Directors' remuneration	11,025	76,938
Directors' pension contributions to money purchase schemes	<u>2,193</u>	<u>5,682</u>

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

	2019	2018
Money purchase schemes	<u>1</u>	<u>1</u>

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2019	2018
	£	£
Bank interest	164,427	151,806
Other interest	12,072	12,689
Pension fund loan interest	-	1,710
Corporation tax interest	908	112
	<u>177,407</u>	<u>166,317</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**6. PROFIT BEFORE TAXATION**

The profit is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Hire of plant and machinery	<b>18,240</b>	19,771
Other operating leases	<b>6,486</b>	10,715
Depreciation - owned assets	<b>179,577</b>	184,358
Depreciation - assets on hire purchase contracts	<b>891</b>	4,415
Auditors remuneration	<b>10,750</b>	9,750

**7. TAXATION**

**Analysis of the tax charge**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred taxation	<b>39,000</b>	58,000
Tax on profit	<b>39,000</b>	58,000

**Reconciliation of total tax charge included in profit and loss**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit before tax	<b>169,895</b>	184,499
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>32,280</b>	35,055
Effects of:		
Expenses not deductible for tax purposes	<b>944</b>	370
Depreciation in excess of capital allowances	<b>64,881</b>	80,107
Utilisation of tax losses	<b>(59,105)</b>	(57,532)
Total tax charge	<b>39,000</b>	58,000

Tax losses carried forward at the balance sheet date amounted to £228,851 (2018 - £539,931).



**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**8. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Long leasehold £</b>	<b>Plant, machinery, fixtures &amp; fittings £</b>
<b>COST</b>			
At 1 May 2018	9,902,242	5,040	2,557,204
Additions	700	-	5,128
At 30 April 2019	9,902,942	5,040	2,562,332
<b>DEPRECIATION</b>			
At 1 May 2018	3,608,370	60	1,971,292
Charge for year	65,634	5	110,332
At 30 April 2019	3,674,004	65	2,081,624
<b>NET BOOK VALUE</b>			
At 30 April 2019	6,228,938	4,975	480,708
At 30 April 2018	6,293,872	4,980	585,912

  

	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 May 2018	32,688	35,620	12,532,794
Additions	-	725	6,553
At 30 April 2019	32,688	36,345	12,539,347
<b>DEPRECIATION</b>			
At 1 May 2018	20,236	33,027	5,632,985
Charge for year	3,113	1,384	180,468
At 30 April 2019	23,349	34,411	5,813,453
<b>NET BOOK VALUE</b>			
At 30 April 2019	9,339	1,934	6,725,894
At 30 April 2018	12,452	2,593	6,899,809

Included in freehold land & buildings is land valued at £750,000 which is not depreciated.

Included within freehold land and buildings cost carried forward are finance and related costs of £240,348 which were capitalised during the construction of the expansion at Gomersal.

The freehold property has been pledged to secure the borrowings of the company (see note 13).

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**8. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant, machinery, fixtures &amp; fittings £</b>
<b>COST</b>	
At 1 May 2018	
and 30 April 2019	<u><b>8,915</b></u>
<b>DEPRECIATION</b>	
At 1 May 2018	<b>1,559</b>
Charge for year	<u><b>891</b></u>
At 30 April 2019	<u><b>2,450</b></u>
<b>NET BOOK VALUE</b>	
At 30 April 2019	<u><u><b>6,465</b></u></u>
At 30 April 2018	<u><u><b>7,356</b></u></u>

**9. STOCKS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Goods for resale	<u><b>72,855</b></u>	<u><b>88,078</b></u>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>47,442</b>	140,254
Other debtors	<b>255,369</b>	252,967
Directors' current accounts	<b>216,098</b>	219,893
Taxation recoverable	<b>137,036</b>	137,036
Prepayments and accrued income	<u><b>34,573</b></u>	<u>39,995</u>
	<u><u><b>690,518</b></u></u>	<u><u>790,145</u></u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 13)	<b>339,459</b>	245,730
Other loans (see note 13)	<b>36,850</b>	40,200
Hire purchase contracts (see note 14)	<b>2,218</b>	5,180
Trade creditors	<b>163,659</b>	141,311
Taxation	<b>3,497</b>	55,504
Social security and other taxes	<b>36,693</b>	36,870
Other creditors	<b>344,913</b>	352,836
Payment received on account	<b>337,318</b>	455,426
Accrued expenses	<u><b>475,112</b></u>	<u>588,531</u>
	<u><u><b>1,739,719</b></u></u>	<u><u>1,921,588</u></u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Bank loans (see note 13)	3,912,925	4,002,383
Other loans (see note 13)	-	36,850
Hire purchase contracts (see note 14)	743	-
Payment received on account	106,006	92,401
	<u>4,019,674</u>	<u>4,131,634</u>

13. **LOANS**

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year or on demand:		
Bank loans - less than 1 yr	339,459	245,730
Other loans - less than 1 yr	36,850	40,200
	<u>376,309</u>	<u>285,930</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	282,723	3,704,048
Other loans - 1-2 years	-	36,850
	<u>282,723</u>	<u>3,740,898</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>3,630,202</u>	<u>298,335</u>

The bank loan was renewed after the year end on a 3 year term repayable 11 July 2022. Interest is charged at LIBOR plus 3.15%. The loan is repayable by way of 12 equal, quarterly annual instalments and a final payment on the maturity date of 79.25% of the amount borrowed.

A new loan provided in the year is on a 3 year term commencing 12 April 2019. Interest is charged at LIBOR plus 3.15%. The loan is repayable by way of 12 equal, quarterly annual instalments and a final payment on the maturity date of 84.44% of the amount borrowed.

The other loan liability is repayable in equal monthly instalments, commencing in April 2015, over 5 years at an interest rate of 3.0%.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**14. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<b>2,218</b>	5,180
Between one and five years	<b>743</b>	-
	<b><u>2,961</u></b>	<b><u>5,180</u></b>
	<b>Non-cancellable operating leases</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Within one year	<b>18,983</b>	18,919
Between one and five years	<b>10,400</b>	16,433
	<b><u>29,383</u></b>	<b><u>35,352</u></b>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>4,252,384</b>	4,248,113
Hire purchase contracts	<b>2,961</b>	5,180
Other loans	<b>36,850</b>	77,050
	<b><u>4,292,195</u></b>	<b><u>4,330,343</u></b>

The bank loans are secured by charges over Gomersal Park Hotel and Judges Hotel and on a Scottish Equitable life insurance policy in the name of S M Downs.

The other loan disclosed above is secured by charges over Gomersal Park Hotel and Judges Hotel.

The hire purchase and finance lease liabilities are secured on the assets to which they relate.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

**16. FINANCIAL INSTRUMENTS**

The carrying amounts of the company's financial instruments are as follows:

	2019	2018
£		
Financial liabilities		
Measured at amortised cost		
- Bank loans (see note 13)	4,252,384	4,248,113
- Other loans (see note 13)	36,850	77,050
- Hire purchase contracts (see note 14)	2,961	5,180
- Payment received in advance (see note 11-12)	430,963	547,827
	<u>4,723,158</u>	<u>4,878,170</u>

The expenses attributable to the company's financial instruments are summarised as follows:

	2019	2018
£		
Total interest expense for financial liabilities at amortised cost	<u>176,499</u>	<u>166,205</u>

**17. PROVISIONS FOR LIABILITIES**

	2019	2018
£		
Deferred tax		
Accelerated capital allowances	136,000	150,000
Tax losses carried forward	(39,000)	(92,000)
	<u>97,000</u>	<u>58,000</u>
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1 May 2018		<b>58,000</b>
Charge to Statement of Comprehensive Income during year		<b>39,000</b>
Balance at 30 April 2019		<u><b>97,000</b></u>

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
25,000	Ordinary	£1	<u>25,000</u>	<u>25,000</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 April 2019**

19. **RESERVES**

	Retained earnings £
At 1 May 2018	1,772,916
Profit for the year	<u>130,895</u>
At 30 April 2019	<u>1,903,811</u>

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

20. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss as they accrue. The charge for the year amounted to £20,349 (2018 - £10,165). Contributions outstanding at the year end amounted to £6,734 (2018 - £2,675).

21. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to the directors subsisted during the years ended 30 April 2019 and 30 April 2018:

	2019 £	2018 £
Balance outstanding at start of year	219,893	210,047
Amounts advanced	21,206	9,846
Amounts repaid	(25,000)	-
Balance outstanding at end of year	<u>216,099</u>	<u>219,893</u>

The loans to/from the directors are repayable on demand and interest free.

22. **RELATED PARTY DISCLOSURES**

At the year end, included in other debtors is an employee loan of £251,837 (2018 - £251,837) to Mrs S Downs, the wife of Mr SM Downs, a Director of the company. The interest free loan has no formal repayment terms and is repayable on demand.

Key management is considered to be the Directors of the company. Total remuneration for the year is disclosed in note 4.

23. **CONTROL RELATIONSHIP**

The company is under the control of Mr S M Downs.

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.