

# **WARM WELCOME MANAGEMENT LIMITED**

**ANNUAL REPORT  
YEAR ENDED 30 APRIL 2015**

**Company Registration Number 1913114**

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# **WARM WELCOME MANAGEMENT LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2015**

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# **WARM WELCOME MANAGEMENT LIMITED**

## **COMPANY INFORMATION**

**The board of directors**

Mr P G Davies  
Mr P B M Cliff

**Company secretary**

S L Secretaries Limited

**Registered Office**

Woodlands  
Seaway Lane  
Torquay  
TQ2 6PW

**Auditor**

Francis Clark LLP  
Chartered Accountants  
& Statutory Auditor  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

**Bankers**

Lloyds TSB Bank Plc  
51-52 Fleet Street  
Torquay  
Devon  
TQ2 5DW

# WARM WELCOME MANAGEMENT LIMITED

## STRATEGIC REPORT

YEAR ENDED 30 APRIL 2015

The directors present their strategic report for the year ended 30 April 2015.

### **Business review**

The Strategic report is designed to replace and enhance reporting previously included in the Business review section of the Directors' report. Its purpose is to inform shareholders and help them assess how the Directors have performed their duty to promote the success of the Company during the year under review. There have also been consequential changes to the contents of the remainder of the report.

### **Fair review of the business**

In 2014 the group acquired the remaining 51% of shares in Dartmoor Brewery, making it a wholly owned subsidiary and as a result group turnover is significantly higher.

During the year the group disposed of its interest in Anglo American Media Limited.

Overall the group profits are higher than previous years as a result of the profit on the sale of Anglo American Media Limited.

### **Principal risks and uncertainties**

In relation to the group's most significant activity, hotel accommodation, the tourist industry is constantly evolving and the major threats are from changing visitor requirements and the growth of new destinations, particularly overseas.

The group's strategy to combat these threats is to continue to develop the quality and range of its facilities and to cater for a wide range of different markets.

Approved by the Board on 28 September 2015 and signed on its behalf by:



S L Secretaries Ltd  
Company Secretary

# WARM WELCOME MANAGEMENT LIMITED

## DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2015

The directors present their report and the consolidated financial statements for the year ended 30 April 2015.

A number of disclosures previously incorporated in the Directors' Report are now included in the Strategic Report. These include the Business Review and Financial Risk Management Objectives and Policies.

### **Directors of the company**

The directors who held office during the year were as follows:

Mr P G Davies  
Mr P B M Cliff

### **Principal activity**

The principal activity of the group is providers of hotel accommodation, publishing services and brewing.

### **Financial instruments**

#### **Objectives and policies**

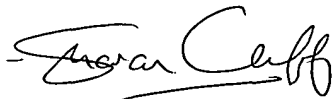
The group's principal financial instruments comprise bank balances, bank loans and working capital. These are managed to ensure sufficient funds are available for the group's operations.

#### **Disclosure of information to the auditor**

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditors is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Approved by the Board on 28 September 2015 and signed on its behalf by:



S L Secretaries Limited  
Company Secretary

# **WARM WELCOME MANAGEMENT LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

**YEAR ENDED 30 APRIL 2015**

The directors are responsible for preparing the Annual Report 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 year.

In preparing those 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 group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **WARM WELCOME MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARM WELCOME MANAGEMENT LIMITED**

**YEAR ENDED 30 APRIL 2015**

We have audited the group and parent company financial statements ("the financial statements") of Warm Welcome Management Limited for the year ended 30 April 2015 which comprise the Group Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Parent Company Balance Sheet, Group Cash Flow Statement and the related notes. 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 an auditor's report 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 AUDITOR**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 (APB'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 annual report 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 parent company's affairs as at 30 April 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

# WARM WELCOME MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARM WELCOME MANAGEMENT LIMITED *(continued)*

YEAR ENDED 30 APRIL 2015

### 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.



RICHARD HUSSEY (Senior Statutory Auditor)  
For and on behalf of FRANCIS CLARK LLP  
Chartered Accountants & Statutory Auditor  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

28 September 2015



# WARM WELCOME MANAGEMENT LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2015

	Note	2015 £	2014 £
<b>Turnover</b>			
Continuing operations		6,640,247	3,474,705
Acquisitions		-	769,236
		<u>6,640,247</u>	<u>4,243,941</u>
Discontinued operations		17,268	804,966
Group turnover	2	6,657,515	5,048,907
Cost of sales	3	(2,847,190)	(2,104,963)
Gross profit		3,810,325	2,943,944
Administrative expenses	3	(3,765,472)	(2,902,068)
Other operating income	4	31,600	26,434
<b>Operating profit/(loss)</b>			
Continuing operations	145,640		(161,595)
Acquisitions	-		51,366
		<u>145,640</u>	<u>(110,229)</u>
Discontinued operations		(69,187)	178,539
Group operating profit		76,453	68,310
Share of operating profit in associate		-	25,896
Total operating profit: group and share of joint venture		76,453	94,206
Profit on disposal of fixed assets	6	724,810	-
Income from other fixed asset investments		629	598
Other interest receivable and similar income	10	2,761	231
Interest payable and similar charges	11	(54,368)	(24,478)
Profit on ordinary activities before taxation		750,285	70,557
Tax on profit on ordinary activities	12	(45,231)	(30,072)
Profit on ordinary activities after taxation		705,054	40,485
Minority interest		17,407	(29,068)
<b>Profit for the financial year attributable to members of the parent company</b>	30	<u>722,461</u>	<u>11,417</u>

The company has taken advantage of Section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 12 to 30 form part of these financial statements.

# **WARM WELCOME MANAGEMENT LIMITED**

## **GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**YEAR ENDED 30 APRIL 2015**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>722,461</b>	11,417
Unrealised gain on revaluation of properties	<b>150,000</b>	-
Total recognised gains and losses relating to the year	<b><u>872,461</u></b>	<b><u>11,417</u></b>

### **NOTE OF HISTORICAL COST PROFITS AND LOSSES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Reported profit on ordinary activities before taxation	<b>750,285</b>	70,557
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	<b>36,722</b>	34,255
Historical cost profit on ordinary activities before taxation	<b><u>787,007</u></b>	<b><u>104,812</u></b>
Historical cost profit for the year after taxation and minority interests	<b><u>759,183</u></b>	<b><u>45,672</u></b>

**The notes on pages 12 to 30 form part of these financial statements.**

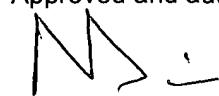
# WARM WELCOME MANAGEMENT LIMITED

## GROUP BALANCE SHEET

30 APRIL 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	14	317,481	345,902
Tangible assets	15	6,042,971	5,830,686
Other investments	16	32,113	32,112
		<u>6,392,565</u>	<u>6,208,700</u>
<b>Current assets</b>			
Stocks and work in progress	18	158,217	172,519
Debtors	19	649,293	786,487
Investments	20	3,163	3,163
Cash at bank and in hand		525,199	376,380
		<u>1,335,872</u>	<u>1,338,549</u>
<b>Creditors: Amounts falling due within one year</b>	21	<u>(1,523,367)</u>	<u>(1,667,265)</u>
<b>Net current liabilities</b>		<u>(187,495)</u>	<u>(328,716)</u>
<b>Total assets less current liabilities</b>		<u>6,205,070</u>	<u>5,879,984</u>
<b>Creditors: Amounts falling due after more than one year</b>	22	<u>(1,452,862)</u>	<u>(1,784,558)</u>
<b>Provisions for liabilities</b>			
Deferred taxation	24	<u>(183,751)</u>	<u>(152,681)</u>
		<u>4,568,457</u>	<u>3,942,745</u>
<b>Capital and reserves</b>			
Called-up equity share capital	28	107	107
Share premium account	30	121,873	121,873
Revaluation reserve	30	2,106,481	1,993,203
Profit and loss account	30	2,339,996	1,790,813
<b>Shareholders' funds</b>	31	<u>4,568,457</u>	<u>3,905,996</u>
<b>Minority interest</b>		-	36,749
<b>Capital employed</b>		<u>4,568,457</u>	<u>3,942,745</u>

Approved and authorised for issue by the Board on 28 September 2015 and are signed on their behalf by:



.....  
Mr P G Davies  
Director

The notes on pages 12 to 30 form part of these financial statements.

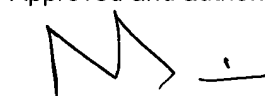
# WARM WELCOME MANAGEMENT LIMITED

## COMPANY BALANCE SHEET

30 APRIL 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	15	253,754	103,405
Investments	16	3,325,100	3,187,531
		<u>3,578,854</u>	<u>3,290,936</u>
<b>Current assets</b>			
Stocks	18	78,017	78,017
Debtors	19	55,557	50,920
Investments	20	3,163	3,163
Cash at bank		349,285	-
		<u>486,022</u>	<u>132,100</u>
<b>Creditors: Amounts falling due within one year</b>	21	<u>(396,914)</u>	<u>(305,192)</u>
<b>Net current liabilities</b>		<u>89,108</u>	<u>(173,092)</u>
<b>Total assets less current liabilities</b>		<u>3,667,962</u>	<u>3,117,844</u>
<b>Creditors: Amounts falling due after more than one year</b>	22	<u>(716,754)</u>	<u>(908,594)</u>
<b>Provisions for liabilities</b>			
Deferred taxation	24	<u>(751)</u>	<u>(681)</u>
		<u>2,950,457</u>	<u>2,208,569</u>
<b>Capital and reserves</b>			
Called-up equity share capital	28	107	107
Share premium account	30	121,873	121,873
Revaluation reserve	30	178,963	28,963
Profit and loss account	30	2,649,514	2,057,626
<b>Shareholders' funds</b>	31	<u>2,950,457</u>	<u>2,208,569</u>

Approved and authorised for issue by the Board on 28 September 2015 and are signed on their behalf by:



Mr P G Davies  
Director

Company Registration Number: 1913114

The notes on pages 12 to 29 form part of these financial statements.

# WARM WELCOME MANAGEMENT LIMITED

## GROUP CASH FLOW STATEMENT

YEAR ENDED 30 APRIL 2015

		2015 £	2014 £
<b>Net cash inflow from operating activities</b>	Note 32	<b>604,879</b>	314,654
<b>Dividend received from associate</b>		-	19,600
<b>Returns on investments and servicing of finance</b>	32	<b>(50,979)</b>	(123,648)
<b>Taxation</b>	32	<b>6,156</b>	(57,582)
<b>Capital expenditure and financial investment</b>	32	<b>(231,217)</b>	(15,938)
<b>Acquisitions and disposal</b>	32	<b>422,142</b>	(113,271)
<b>Equity dividends paid</b>		<b>(210,000)</b>	(120,000)
<b>Cash inflow/(outflow) before financing</b>		<b>540,981</b>	(96,185)
<b>Financing</b>	32	<b>(333,270)</b>	101,723
<b>Increase in cash</b>	32	<b><u>207,711</u></b>	<b><u>5,538</u></b>

The notes on pages 12 to 30 form part of these financial statements.

# **WARM WELCOME MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2015**

### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings, together with the group's share of the net assets and results of associated undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over ten years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

#### **Departures from Companies Act requirements**

The Companies Act method of acquisition accounting is to treat as goodwill, or negative goodwill, the whole of the difference between, on the one hand, the fair value at the date an undertaking becomes a subsidiary undertaking of the group's share of its identifiable assets and liabilities and, on the other hand, the total acquisition cost of the interests held by the group in that subsidiary undertaking. This applies even where part of the acquisition cost arises from purchases of interests at earlier dates. In the generality of cases this method provides a practical means of applying acquisition accounting because it does not require retrospective assessments of the fair values of the identifiable assets and liabilities of the acquired undertaking. In special circumstances, however, not using fair values at the dates of earlier purchases while using an acquisition cost part of which relates to earlier purchases, may result in accounting that is inconsistent with the way the investment has been treated previously and, for that reason, may fail to give a true and fair view.

The acquisition of Dartmoor Brewery Limited in 2014 was one of these cases where applying the Companies Act method would not give a true and fair view and the directors have used the method required by FRS 2 such that goodwill arising on each purchase has been calculated as the difference between the cost of that purchase and the fair value at the date of that purchase of the identifiable assets and liabilities attributable to the interest purchased. The difference between the goodwill calculated on this method and that calculated on the method provided by the Act of £362,234 is shown in reserves.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts chargeable in respect of the sale of goods and services, exclusive of Value Added Tax.

#### **Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of twenty years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Negative goodwill arising on acquisition is held on the Balance Sheet during the year in which it arises and written back in the Profit and Loss Account in the subsequent accounting period.

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

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

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Goodwill	- 10% per annum on a straight line basis
Titles & Archives	- in full in the year of acquisition
Trademarks	- 20% or 25% per annum on a straight line basis

#### Fixed assets

All fixed assets are initially recorded at cost. Properties (other than investment properties) are stated at valuations on the basis of fully-equipped operational properties, having regard to their trading potential.

The company's trading properties are shown at their market values in 2012 or 2013, with subsequent additions at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost or revaluation of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold – Brewery Complex	- 2% per annum on a straight line basis
Leasehold Property	- over the term of the lease
Plant & Machinery	- 10% per annum on a straight line basis and 15% per annum on a reducing balance basis
Fixtures & Fittings	- 15% to 25% per annum on a reducing balance basis
Motor Vehicles	- 25% per annum on a reducing balance basis
Equipment	- over 3 to 4 years and 25% per annum on a reducing balance basis
Casks	- 10% per annum on a straight line basis

No depreciation is provided on freehold land and buildings (except the Brewery Complex), as the directors consider that the residual value of these properties is such that depreciation would be immaterial. The company has a policy and practice of regular maintenance and repair (charges for which are recognised in the profit and loss account) such that these assets are kept to their previously assessed standard of performance.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

#### Investment properties

Investment property is included in the balance sheet at open market value and no provision is made for depreciation. This is in accordance with Statement of Standard Accounting Practice 19, Accounting for Investment Properties (SSAP 19). The property valuation is reviewed annually and the change in market value, if any, is taken to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view.

# **WARM WELCOME MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2015**

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

#### **Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

#### **Current asset investments**

Current asset investments are included at the lower of cost and net realisable value.

#### **Stocks**

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

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based upon tax rates and laws enacted or substantially enacted at the balance sheet date.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.



# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 2. Turnover

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

An analysis of turnover by geographical location is given below:

	2015 £	2014 £
United Kingdom	<u>6,657,515</u>	<u>5,048,907</u>

### 3. Cost of sales, gross profit, distribution costs and administrative expenses

	2015			2014		
	Continuing £	Dis-continued £	Total £	Continuing £	Dis-continued £	Total £
Turnover	6,640,247	17,268	<b>6,657,515</b>	3,474,705	769,236	5,048,907
Cost of sales	(2,805,467)	(41,723)	<b>(2,847,190)</b>	(1,106,398)	(456,206)	(2,104,963)
<b>Gross profit</b>	<b>3,834,780</b>	<b>(24,455)</b>	<b>3,810,325</b>	<b>2,368,307</b>	<b>313,030</b>	<b>2,943,944</b>
Administrative expenses	(3,720,740)	(44,732)	<b>(3,765,472)</b>	(2,556,336)	(261,664)	(2,902,068)
Other operating income	31,600	-	<b>31,600</b>	26,434	-	26,434
<b>Group operating profit</b>	<b>145,640</b>	<b>(69,187)</b>	<b>76,453</b>	<b>(161,595)</b>	<b>51,366</b>	<b>68,310</b>

### 4. Other operating income

	2015 £	2014 £
Rent receivable	<u>31,600</u>	<u>26,434</u>

### 5. Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Amortisation of intangible assets	<b>42,144</b>	38,854
Depreciation of owned fixed assets	<b>188,723</b>	139,875
Depreciation of assets held under hire purchase agreements	<b>99,129</b>	23,966
(Profit)/loss on disposal of tangible fixed assets	<b>1,082</b>	(14,332)
Auditor's remuneration		
- audit fees	<b>17,235</b>	21,885
Operating lease costs:		
- Other	<b>38,548</b>	37,110

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 6. Profit on sale of subsidiary

	2015 £	2014 £
<b>Discontinued operations</b>		
Gain on disposal of subsidiary's net tangible fixed assets	<b>724,810</b>	-
<b>Profit on sale of subsidiary</b>	<b>724,810</b>	-
<b>Taxation</b>	-	-

On 12 May 2014 the group sold Anglo American Media Limited, a company in which the parent owned 75% of the issued share capital, for £782,836 in cash.

### 7. Auditor's remuneration

	2015 £	2014 £
Audit of the financial statements	<b>17,235</b>	21,885

£3,350 (2014 - £3,350) of the fee for auditing the financial statements relates to the company.

### 8. Particulars of employees

The average number of staff employed by the group during the financial year amounted to:

	2015 No	2014 No
Number of production staff	<b>116</b>	96
Number of administrative staff	<b>5</b>	2
Number of other staff	<b>9</b>	9
	<b>130</b>	107

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	<b>1,829,028</b>	1,448,737
Social security costs	<b>87,713</b>	82,742
	<b>1,916,741</b>	1,531,479

### 9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Remuneration receivable	<b>44,500</b>	28,500

### 10. Other interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	<b>2,660</b>	-
Other interest receivable	<b>101</b>	231
Group interest receivable	<b>2,761</b>	231

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 11. Interest payable and similar charges

	2015 £	2014 £
Interest payable on bank borrowing	13,958	9,440
Finance charges	11,430	6,530
Other similar charges payable	28,980	8,507
Group interest payable and similar charges	<u>54,368</u>	<u>24,477</u>

### 12. Taxation on ordinary activities

#### (a) Analysis of charge in the year

	2015 £	2014 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2014 - 20%)	14,161	(2,046)
Over/under provision in prior year	-	(1,417)
	<u>14,161</u>	<u>(3,463)</u>
Share of associate taxation charge	-	9,706
Total current tax	<u>14,161</u>	<u>6,243</u>
Deferred tax:		
Origination and reversal of timing differences	31,070	23,829
Tax on profit on ordinary activities	<u>45,231</u>	<u>30,072</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2014 - 20%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>750,285</u>	<u>70,557</u>
Profit on ordinary activities by rate of tax	150,057	14,111
Franked investment income	(126)	(160)
Fixed asset differences	22,693	21,016
Unrelieved losses	-	1,178
Capital allowances in excess of depreciation	(29,662)	(27,757)
Expenses not deductible for tax purposes	1,939	6,244
Over provision in prior year	-	(1,245)
Profit on sale of subsidiary (exempt from tax)	(144,962)	-
Sundry tax adjusting items	<u>14,222</u>	<u>(7,144)</u>
Total current tax (note 8(a))	<u>14,161</u>	<u>6,243</u>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 13. Profit attributable to members of the parent company

The profit dealt with in the financial statements of the parent company was £801,888 (2014 - £370,311).

### 14. Intangible fixed assets

Group	Goodwill £	Titles and Archives £	Trademarks £	Total £
<b>Cost</b>				
At 1 May 2014	434,257	6,050	3,165	443,472
Additions	-	-	15,603	15,603
Disposals	(66,650)	-	(3,165)	(69,815)
<b>At 30 April 2015</b>	<b><u>367,607</u></b>	<b><u>6,050</u></b>	<b><u>15,603</u></b>	<b><u>389,260</u></b>
<b>Amortisation</b>				
At 1 May 2014	90,256	6,050	1,264	97,570
Charge for the year	38,222	-	3,922	42,144
Eliminated on disposals	(66,650)	-	(1,285)	(67,935)
<b>At 30 April 2015</b>	<b><u>61,828</u></b>	<b><u>6,050</u></b>	<b><u>3,901</u></b>	<b><u>71,779</u></b>
<b>Net book value</b>				
<b>At 30 April 2015</b>	<b><u>305,779</u></b>	<b><u>-</u></b>	<b><u>11,702</u></b>	<b><u>317,481</u></b>
At 30 April 2014	<u>344,001</u>	<u>-</u>	<u>1,901</u>	<u>345,902</u>

Goodwill comprises both positive and negative values.

Negative goodwill with a cost of £(14,616) has been fully written down.

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 15. Tangible fixed assets

Group	Freehold land and buildings £	Long leasehold land and buildings £	Investment property £	Other tangibles £	Total £
<b>Cost or valuation</b>					
At 1 May 2014	2,758,643	2,120,332	100,000	2,267,948	7,246,923
Additions	106,454	-	-	244,765	351,219
Disposals	-	-	-	(1,883)	(1,883)
Revaluations	-	-	150,000	-	150,000
<b>At 30 Apr 2015</b>	<b><u>2,865,097</u></b>	<b><u>2,120,332</u></b>	<b><u>250,000</u></b>	<b><u>2,510,830</u></b>	<b><u>7,746,259</u></b>
<b>Depreciation</b>					
At 1 May 2014	(38)	54,489	-	1,361,786	1,416,237
Charge for the year	17,785	57,737	-	212,330	287,852
Eliminated on disposals	-	-	-	(801)	(801)
<b>At 30 Apr 2015</b>	<b><u>17,747</u></b>	<b><u>112,226</u></b>	<b><u>-</u></b>	<b><u>1,573,315</u></b>	<b><u>1,703,288</u></b>
<b>Net book value</b>					
<b>At 30 Apr 2015</b>	<b><u>2,847,350</u></b>	<b><u>2,008,106</u></b>	<b><u>250,000</u></b>	<b><u>937,515</u></b>	<b><u>6,042,971</u></b>
At 30 Apr 2014	<u>2,758,681</u>	<u>2,065,843</u>	<u>100,000</u>	<u>906,162</u>	<u>5,830,686</u>

#### Hire purchase agreements

Included within the net book value of tangible fixed assets is £377,606 (2014 - £343,465) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £99,129 (2014 - £23,966).

#### Revaluations

The group's freehold and long leasehold hotels were revalued on an open market, existing use basis on 30 April 2013 by Jones Lang Lasalle, Exeter. Jones Lang Lasalle are professional valuers, external to the group.

The other trading freehold property of the group (excluding the Brewery Complex) was revalued on an open market, existing use basis on 27 June 2012 by Portman Consulting, Property Consultants, external to the group.

The investment property was revalued on 30 April 2015 by the directors who are internal to the group. The basis of this valuation was open market value.

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 15. Tangible fixed assets (continued)

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	Freehold property £	Leasehold property £	Investment property £	Total £
<b>Net book value at end of year</b>	<b>2,106,971</b>	<b>2,008,106</b>	<b>250,000</b>	<b>4,365,077</b>
<b>Historical cost:</b>				
At 1 May 2014	1,382,828	1,290,725	102,937	2,776,490
Cost of additions to revalued assets brought forward	75,185	-	-	75,185
<b>At 30 Apr 2015</b>	<b>1,458,013</b>	<b>1,290,725</b>	<b>102,937</b>	<b>2,851,675</b>
<b>Depreciation:</b>				
At 1 May 2014	96,281	420,662	31,900	548,843
Charge for year	-	21,015	-	21,015
<b>At 30 Apr 2015</b>	<b>96,281</b>	<b>441,677</b>	<b>31,900</b>	<b>569,858</b>
<b>Net historical cost value:</b>				
<b>At 30 Apr 2015</b>	<b>1,361,732</b>	<b>849,048</b>	<b>71,037</b>	<b>2,281,817</b>
At 1 May 2014	1,286,547	870,063	71,037	2,227,647

Company	Investment property £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>			
At 1 May 2014	100,000	27,919	127,919
Additions	-	1,011	1,011
Revaluations	150,000	-	150,000
<b>At 30 April 2015</b>	<b>250,000</b>	<b>28,930</b>	<b>278,930</b>
<b>Depreciation</b>			
At 1 May 2014	-	24,514	24,514
Charge for the year	-	662	662
<b>At 30 April 2015</b>	<b>-</b>	<b>25,176</b>	<b>25,176</b>
<b>Net book value</b>			
<b>At 30 April 2015</b>	<b>250,000</b>	<b>3,754</b>	<b>253,754</b>
At 30 April 2014	100,000	3,405	103,405

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 15. Tangible fixed assets *(continued)*

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	Investment property £
<b>Net book value at end of year</b>	<b><u>250,000</u></b>
<b>Historical cost</b>	<b><u>102,937</u></b>
<b>Depreciation:</b>	
At 1 May 2014 and 30 April 2015	<b><u>31,900</u></b>
<b>Net historical cost value:</b>	
At 1 May 2014 and 30 April 2015	<b><u>71,037</u></b>

### 16. Investments

Group	Participating interests £	Listed investments £	Total £
<b>Shares</b>			
<b>Cost</b>			
At 1 May 2014 and 30 April 2015	<u>25</u>	<u>32,088</u>	<u>32,113</u>
<b>Net book value</b>			
At 30 April 2014 and 30 April 2015	<u>25</u>	<u>32,088</u>	<u>32,113</u>
<b>Company</b>	<b>Subsidiary undertakings £</b>	<b>Participating interests £</b>	<b>Total £</b>
<b>Shares</b>			
<b>Cost</b>			
At 1 May 2014	916,004	25	916,029
Disposals	(87,602)	-	(87,602)
<b>At 30 April 2015</b>	<b><u>828,402</u></b>	<b><u>25</u></b>	<b><u>828,427</u></b>
<b>Loans</b>			
At 1 May 2014	2,271,502	-	2,271,502
Advanced in year	923,711	-	923,711
Repaid in year	(698,540)	-	(698,540)
<b>At 30 April 2015</b>	<b><u>2,496,673</u></b>	<b><u>-</u></b>	<b><u>2,496,673</u></b>
<b>Net book value</b>			
<b>At 30 April 2015</b>	<b><u>3,325,075</u></b>	<b><u>25</u></b>	<b><u>3,325,100</u></b>
At 30 April 2014	<u>3,187,506</u>	<u>25</u>	<u>3,187,531</u>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 16. Investments (continued)

#### Subsidiary Companies

The company owns:

Warm Welcome Hotels (Southern) Limited	100%	Operates the Bedford and Two Bridges Hotels
Dartmoor Brewery Limited	100%	Brewing ale of quality and distinction
Knaphill Print Company Limited	75%	Provides printing services
Woking News and Mail Limited	75%	Publication of newspapers and periodicals
Greengage Business Parks Limited	100%	Dormant

#### Significant holdings

The company owns:

Cultureshock Holdings Limited	22.5%	Holding company
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The financial period end of Cultureshock Holdings Limited is 30 April. The last available accounts are for the year ended 30 April 2014. The profit for the financial period of Cultureshock Holdings Limited was £nil (2013 - £nil) and the aggregate amount of capital and reserves at the end of the period was £30,120 (2013 - £30,120).

### 17. Disposals

#### Analysis of the disposal of Anglo American Media Limited

On 12 May 2014 the group completed the disposal of Anglo American Media Limited. The disposal is analysed as follows:

	£
Fixed assets	1,880
Stocks	11,516
Debtors	130,179
Cash	235,694
Creditors	(287,643)
Taxation	(14,258)
Minority interest	(19,342)
	<hr/>
Profit on disposal	58,026
	<hr/>
Proceeds from disposal	724,810
	<hr/>
Satisfied by:	
Cash	782,836
	<hr/>

The profit attributable to the parent company includes losses amounting to (£69,187) incurred by Anglo American Media Limited up to its date of disposal on 12 May 2014.

### 18. Stocks

	2015	Group	2015	Company
	£	2014	£	2014
	£	£	£	£
Stocks	80,200	94,502	-	-
Work in progress	78,017	78,017	78,017	78,017
	<hr/>	<hr/>	<hr/>	<hr/>
	158,217	172,519	78,017	78,017



# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 19. Debtors

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Trade debtors	565,120	672,526	1,144	-
Other debtors	18,284	9,991	14,862	9,170
Directors' current accounts	-	43	-	-
Prepayments and accrued income	65,889	103,927	39,551	41,750
	<u>649,293</u>	<u>786,487</u>	<u>55,557</u>	<u>50,920</u>

### 20. Current asset investments

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Other investments	<u>3,163</u>	<u>3,163</u>	<u>3,163</u>	<u>3,163</u>

#### Listed investments

Investments having a net book value of £3,163 (2014 - £3,163) are listed on a recognised stock exchange and had a market value of £1,675 at the end of the year (2014 - £1,675).

### 21. Creditors: Amounts falling due within one year

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Bank loans and overdrafts	158,561	215,475	61,532	78,616
Trade creditors	411,714	533,129	2,494	46,140
Amounts owed to group undertakings	-	-	18,003	23,155
Hire purchase agreements	100,501	93,449	-	-
Directors' loan accounts	108,954	5,358	108,954	5,358
Other creditors including taxation and social security:				
Corporation tax	13,721	7,660	10,000	-
Other taxation and social security	257,305	213,476	10,177	10,393
Other creditors	445,998	544,976	185,754	141,530
Accruals and deferred income	26,613	53,742	-	-
	<u>1,523,367</u>	<u>1,667,265</u>	<u>396,914</u>	<u>305,192</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Bank loans and overdrafts	158,561	215,475	61,532	78,616
Hire purchase agreements	100,501	93,449	-	-
	<u>259,062</u>	<u>308,924</u>	<u>61,532</u>	<u>78,616</u>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 22. Creditors: Amounts falling due after more than one year

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Bank loans and overdrafts	993,544	1,205,024	341,754	408,594
Hire purchase agreements	84,318	79,534	-	-
Other creditors	375,000	500,000	375,000	500,000
	<u>1,452,862</u>	<u>1,784,558</u>	<u>716,754</u>	<u>908,594</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Bank loans and overdrafts	993,544	1,205,024	341,754	408,594
Hire purchase agreements	84,318	79,534	-	-
	<u>1,077,862</u>	<u>1,284,558</u>	<u>341,754</u>	<u>408,594</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Bank loans and overdrafts	345,246	577,049	95,625	162,465

The company has two bank loans, one amounting to £199,461 which is repayable in monthly instalments ending in 2022 and carries interest at 1.25% over base rate. The second loan amounts to £203,825 and is repayable in monthly instalments ending in 2020 and carries interest at 2.26% over base rate.

The company's subsidiary, Warm Welcome Hotels (Southern) Limited, has one bank loan of £400,000 which is repayable in annual instalments of £50,000 until 2021, with a final repayment of £100,000 in 2022. The loan carries interest at 1.25% over base rate.

The company's subsidiary, Dartmoor Brewery Limited, has a bank loan of £255,744, repayable in monthly instalments. The loan is due for repayment in April 2022 and carries interest at 2.19% over base rate.

The company's subsidiary, Knaphill Print Company Limited, has a mortgage of £90,265, repayable in monthly instalments. The loan is due for repayment in February 2024 and carries interest at 3.25% over base rate.

The group's bank borrowings are secured by charges over properties, debentures over the assets of certain companies and cross guarantees by group companies.

The group's obligations under hire purchase agreements are secured by a charge over the assets to which they relate.

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 23. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts payable within 1 year	<b>100,501</b>	93,449	-	-
Amounts payable in 1-2 years	<b>57,954</b>	64,411	-	-
Amounts payable between 2 to 5 years	<b>26,364</b>	15,123	-	-
	<b><u>184,819</u></b>	<b><u>172,983</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

### 24. Deferred taxation

The movement in the deferred taxation provision during the year was:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision brought forward	<b>152,681</b>	58,717	<b>681</b>	717
Increase/(decrease) in provision	<b>31,070</b>	23,829	<b>70</b>	(36)
Deferred tax on acquisition	-	70,135	-	-
Provision carried forward	<b><u>183,751</u></b>	<b><u>152,681</u></b>	<b><u>751</u></b>	<b><u>681</u></b>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

<b>Group</b>	<b>2015</b>		<b>2014</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	<b><u>183,751</u></b>	<u>-</u>	<b><u>152,681</u></b>	<u>-</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of:

<b>Company</b>	<b>2015</b>		<b>2014</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	<b><u>751</u></b>	<u>-</u>	<b><u>681</u></b>	<u>-</u>

### 25. Other provisions

If the freehold and leasehold properties were sold at market value there would be a tax liability of approximately £72,000 (2014 - £139,000). No provision has been made for this potential liability in these accounts.

### 26. Contingencies

The company has guaranteed the bank facilities of its subsidiary, Warm Welcome Hotels (Southern) Limited. The directors consider that Warm Welcome Hotels (Southern) Limited will continue to trade within the terms of its facilities and that the guarantee is highly unlikely to be called in. The amount guaranteed is £400,000 (2014 - £544,616).

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 27. Related party transactions

During the year the group and company made the following related party transactions:

#### Mr P G Davies

(Director)

During the year dividends of £178,500 (2014 - £102,000) were paid to Mr P G Davies and his wife.

During the current and previous year a loan account existed between the company and Mr P G Davies. No interest was paid on this loan and it was repayable on demand. At the balance sheet date the amount due to Mr P G Davies was £90,943 (2014 - £5,348).

#### Mr P B M Cliff

(Director)

During the year dividends of £31,500 (2014 - £18,000) were paid to Mr P B M Cliff and his wife.

During the current and previous year a loan account existed between the company and Mr P B M Cliff. No interest was paid on this loan and it was repayable on demand. At the balance sheet date the amount due to Mr P B M Cliff was £18,010 (2014 - £10).

#### S L Secretaries Limited

(A company controlled by Mrs Cliff, wife of a director)

During the year S L Secretaries Limited charged the group £65,133 (2014 - £21,667) in respect of company secretarial services. At the balance sheet date the amount due to S L Secretaries Limited was £nil (2014 - £nil).

#### Cloud Weddings Limited

(A company where a company director has significant influence)

During the current year, the company incurred expenditure on behalf of Cloud Weddings Limited of £6,667 (2014 - £5,450). At the balance sheet date the amount due from Cloud Weddings Limited was £11,667 (2014 - £5,450).

The group and company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group.

### 28. Share capital

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £0.01 each	<u>10,666</u>	<u>107</u>	<u>10,666</u>	<u>107</u>

### 29. Dividends

#### Equity dividends paid

	2015	2014
	£	£
Current year interim dividend paid	<u>210,000</u>	<u>120,000</u>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 30. Reserves

Group	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
Balance brought forward	121,873	1,993,203	1,790,813	3,905,889
Profit for the year	-	-	722,461	722,461
Equity dividends	-	-	(210,000)	(210,000)
Other gains and losses	-	-	-	-
- Revaluation of properties	-	150,000	-	150,000
Other movements	-	-	-	-
- transfer to/from revaluation reserve	-	(36,722)	36,722	-
<b>Balance carried forward</b>	<b>121,873</b>	<b>2,106,481</b>	<b>2,339,996</b>	<b>4,568,350</b>

Company	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
Balance brought forward	121,873	28,963	2,057,626	2,208,462
Profit for the year	-	-	801,888	801,888
Equity dividends	-	-	(210,000)	(210,000)
Other gains and losses	-	-	-	-
- Revaluation of properties	-	150,000	-	150,000
<b>Balance carried forward</b>	<b>121,873</b>	<b>178,963</b>	<b>2,649,514</b>	<b>2,950,350</b>

The group and the company revaluation reserve include £178,963 in respect of investment property.

### 31. Reconciliation of movements in shareholders' funds

Group	2015 £	2014 £
Profit attributable to the members of the group	722,461	11,417
Other recognised gains relating to the year	150,000	-
Dividends	(210,000)	(120,000)
Net addition/(reduction) to shareholders' funds	662,461	(108,583)
Shareholders' funds at 1 May	3,905,996	4,014,579
<b>Shareholders' funds at 30 April</b>	<b>4,568,457</b>	<b>3,905,996</b>

Company	2015 £	2014 £
Profit attributable to the members of the company	801,888	370,311
Other recognised gains relating to the year	150,000	-
Dividends	(210,000)	(120,000)
Net addition to shareholders' funds	741,888	250,311
Shareholders' funds at 1 May	2,208,569	1,958,258
<b>Shareholders' funds at 30 April</b>	<b>2,950,457</b>	<b>2,208,569</b>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 32. Notes to the cash flow statement

#### Reconciliation of operating profit to net cash inflow from operating activities

	2015	2014
	£	£
<b>Continuing operations</b>		
Operating profit	145,640	68,312
Amortisation and depreciation	329,966	202,695
Profit on disposal of fixed assets	-	(14,333)
(Increase)/decrease in stocks	2,786	(6,428)
(Increase)/decrease in debtors	(9,913)	(75,649)
(Decrease)/increase in creditors	112,836	117,891
(Profit)/loss on disposal of fixed asset investments	-	22,166
<b>Net cash inflow from operating activities</b>	<b>581,315</b>	<b>314,654</b>
<b>Discontinued operations</b>		
Operating profit/(loss)	(69,187)	-
Amortisation and depreciation	30	-
Profit on disposal of fixed assets	1,082	-
(Increase)/decrease in debtors	32,641	-
(Decrease)/increase in creditors	58,998	-
<b>Net cash inflow from discontinued activities</b>	<b>23,564</b>	<b>-</b>
<b>Total net cash inflow from operating activities</b>	<b>604,879</b>	<b>314,654</b>

#### Returns on investments and servicing of finance

	2015	2014
	£	£
Interest received	2,761	231
Interest paid	(42,938)	(17,947)
Dividends received	628	598
Interest element of hire purchase	(11,430)	(6,530)
Dividends paid to minority shareholders in a subsidiary undertaking	-	(100,000)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(50,979)</b>	<b>(123,648)</b>

#### Taxation

	2015	2014
	£	£
Taxation	6,156	(57,582)

#### Capital expenditure and financial investment

	2015	2014
	£	£
Purchase of intangible fixed assets	(15,603)	-
Purchase of tangible fixed assets	(215,614)	(226,777)
Sale of tangible fixed assets	-	40,817
Sale of investments	-	170,022
<b>Net cash (outflow)/inflow for capital expenditure and financial investment</b>	<b>(231,217)</b>	<b>(15,938)</b>

# WARM WELCOME MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

### 32. Notes to the cash flow statement (continued)

#### Acquisitions and disposals

	2015 £	2014 £
Acquisitions of investments in subsidiary undertakings	(125,000)	(134,290)
Net cash acquired with subsidiary undertaking	-	21,019
Disposals of investments in subsidiary undertakings	782,836	-
Net cash transferred on disposal of subsidiary undertaking	(235,694)	-
<b>Net cash inflow/(outflow) from acquisitions and disposals</b>	<b>422,142</b>	<b>(113,271)</b>

#### Financing

	2015 £	2014 £
Value of new loans obtained during the period	-	250,000
Repayment of loans and borrowings	(209,503)	(130,889)
Capital element of hire purchase	(123,767)	(17,388)
<b>Net cash outflow from financing</b>	<b>(333,270)</b>	<b>101,723</b>

#### Reconciliation of net cash flow to movement in net debt

	2015 £	2014 £
Increase in cash in the period	207,711	5,538
Cash inflow from increase in loans	-	(250,000)
Cash outflow from repayment of loans	209,503	130,889
Cash outflow from repayment of hire purchase	123,767	17,388
Change in net debt resulting from cash flows	540,981	(96,185)
New hire purchase agreements	(135,603)	-
Other non-cash movements	-	(459,013)
Movement in net debt in the period	405,378	(555,198)
Net debt at 1 May	(1,217,102)	(661,904)
<b>Net debt at 30 April</b>	<b>811,724</b>	<b>(1,217,102)</b>

#### Analysis of changes in net debt

	At 1 May 2014 £	Cash flows £	Other changes £	At 30 Apr 2015 £
Net cash:				
Cash in hand and at bank	376,380	148,820	-	525,200
Overdrafts	(61,700)	58,891	-	(2,809)
	<u>314,680</u>	<u>207,711</u>	<u>-</u>	<u>522,391</u>
Debt:				
Debt due within 1 year	(153,775)	(1,977)	-	(155,752)
Debt due after 1 year	(1,205,024)	211,480	-	(993,544)
Hire purchase agreements	(172,983)	123,767	(135,603)	(184,819)
	<u>(1,531,782)</u>	<u>333,270</u>	<u>(135,603)</u>	<u>(1,334,115)</u>
<b>Net debt</b>	<b>(1,217,102)</b>	<b>540,981</b>	<b>(135,603)</b>	<b>(811,724)</b>

# **WARM WELCOME MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2015**

### **33. Control**

The group was controlled by Mr P G Davies up to 30 December 2014.