

Registered number
3819475

WY (ROOKERY HALL) LIMITED

Report and Financial Statements

24 November 2016

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WY (ROOKERY HALL) LIMITED
Report and Financial Statements
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WY (ROOKERY HALL) LIMITED
Company Information

Directors

K Arkley
P Fullerton
J Hands

Secretary

Jordans Company Secretaries Limited

Auditor

BDO LLP
55 Baker Street
London
UK
W1U 7EU

Registered office

The Old Library
The Drive
Sevenoaks
Kent
TN13 3AB

Registered number

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WY (ROOKERY HALL) LIMITED
Strategic Report
for the period ended 24 November 2016

The directors present their strategic report for the period ended 24 November 2016.

Business review

The hotel turnover has decreased by 1.8% to £5,538k. Operating loss was £232k compared to a loss of £1k in 2015. EBITDA for the period was £442k compared to £594k for 2015.

The hotel has continued to operate within the upmarket country house hotel business and has maintained the assets of the business through a programme of improvements to services and facilities.

The hotel is still well positioned for growth as the market recovers, driven by investment that will deliver increases in sales and EBITDA. The ongoing improvement in brand perception together with the continued drive towards excellence in service provision will also contribute to future growth.

Principal risks and uncertainties

The directors consider the following to be principal risks and uncertainties facing the company:

- economic recession;
- changes to government regulations including legislation on employees, environmental and health and safety;
- natural disasters

The directors take a regular review of the company's exposure to these risks.

Expansion for the future

We are maintaining our investment in constantly upgrading and improving our existing bedroom stock.

Environment

The hotel operates in a beautiful location and it is in our best interests to minimise the impact upon the environment, particularly by energy saving initiatives within the hotel.

Personnel

We clearly understand that our employees are the most valuable asset in the company. We continue to invest in training and skills development programmes. We intend to continue our philosophy and invest in our staff. The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

This report was approved by the board on 25 May 2017.



J Hands
Director

WY (ROOKERY HALL) LIMITED

Registered number: 3819475

Directors' Report

The directors present their report and financial statements for the period ended 24 November 2016.

Principal activities

The company's principal activity during the period continued to be that of the ownership and operation of the Rookery Hall Hotel.

Results and dividends

The loss before tax for the period was £845k (2015: £568k loss).

No dividends were paid during the period ended 24 November 2016 (2015: £Nil).

Financial instruments

The company is exposed to the usual credit risk and cash flow movement involved with selling on credit and manages this through the company credit policy. The policy is to finance working capital through retained earnings and finance fixed assets through long term borrowings on fixed interest. The group of which the company is part has borrowings in sterling on fixed and floating interest rates with an interest rate swap in place, the profile of which is reviewed on a regular basis. The counterparty to the majority of the group's financial instruments (other than its shareholders) is its bankers; the company is exposed to minimal credit and liquidity risks in respect of these instruments.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of the company's financial position or result.

Directors

The following persons served as directors during the period:

K Arkley
P Fullerton
J Hands

Directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and 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 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.

WY (ROOKERY HALL) LIMITED

Registered number: 3819475

Directors' Report

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.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

This report was approved by the board on 25 May 2017 and signed on its behalf.



J Hands
Director

WY (ROOKERY HALL) LIMITED
Independent auditors' report
to the members of WY (ROOKERY HALL) LIMITED

We have audited the financial statements of Wy (Rookery Hall) Limited for the period ended 24 November 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 auditors' 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 November 2016 and of its loss for the period 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 Directors' Report and the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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, 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.

BDO LLP

Ian Clayden (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London

26-05-2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

WY (ROOKERY HALL) LIMITED
Statement of Comprehensive Income
for the period from 27 November 2015 to 24 November 2016

	Notes	2016 £	2015 £
Turnover		5,538,218	5,641,378
Cost of sales		(1,243,150)	(1,257,296)
Gross profit		<u>4,295,068</u>	<u>4,384,082</u>
Administrative expenses		(4,527,286)	(4,384,693)
Operating loss	3	<u>(232,218)</u>	<u>(611)</u>
Interest payable	5	(613,163)	(567,649)
Loss on ordinary activities before taxation		<u>(845,381)</u>	<u>(568,260)</u>
Tax on loss on ordinary activities	6	-	-
Loss for the period		<u>(845,381)</u>	<u>(568,260)</u>
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		<u>(845,381)</u>	<u>(568,260)</u>

All amounts relate to continuing operations.

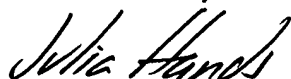
The notes on page 9 to 17 form part of these financial statements.

WY (ROOKERY HALL) LIMITED
Statement of Financial Position
as at 24 November 2016

	Notes	24 November 2016 £	26 November 2015 £
Fixed assets			
Tangible assets	7	11,328,897	11,152,656
Current assets			
Stocks	8	55,143	62,931
Debtors	9	149,795	271,393
Cash and cash equivalents		<u>1,089,699</u>	<u>359,641</u>
		1,294,637	693,965
Creditors: amounts falling due within one year	10	(14,834,076)	(13,211,782)
Net current liabilities		<u>(13,539,439)</u>	<u>(12,517,817)</u>
Net liabilities		<u>(2,210,542)</u>	<u>(1,365,161)</u>
Capital and reserves			
Called up share capital	11	4,149,163	4,149,163
Profit and loss account	12	(6,359,705)	(5,514,324)
Total equity		<u>(2,210,542)</u>	<u>(1,365,161)</u>

The notes on page 9 to 17 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 May 2017.



J Hands
Director

WY (ROOKERY HALL) LIMITED
Statement of Changes in Equity
for the periods from 28 November 2014 to 24 November 2016

	Share capital	Profit and loss account	Total equity
	£	£	£
At 27 November 2015	4,149,163	(5,514,324)	(1,365,161)
Loss for the period	-	(845,381)	(845,381)
At 24 November 2016	<u>4,149,163</u>	<u>(6,359,705)</u>	<u>(2,210,542)</u>
 At 28 November 2014	 4,149,163	 (4,946,064)	 (796,901)
Loss for the period	-	(568,260)	(568,260)
At 26 November 2015	<u>4,149,163</u>	<u>(5,514,324)</u>	<u>(1,365,161)</u>

The notes on page 9 to 17 form part of these financial statements.

WY (ROOKERY HALL) LIMITED

Notes to the Financial Statements

for the period from 27 November 2015 to 24 November 2016

1 Accounting policies

Wy (Rookery Hall) Limited is a private limited company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the Directors' Report.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The financial statements for the period ended 24 November 2016 are the company's first financial statements that comply with FRS 102. The date of transition is 28 November 2014.

Information on the impact of first-time adoption of FRS 102 is given in note 17.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied consistently throughout the preceding and current periods.

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Hand Picked Hotels Limited as at 24 November 2016 and these financial statements may be obtained from Companies House.

Going concern

The Company reports net current liabilities, net liabilities and losses for the period. The parent company, Hand Picked Hotels Limited, has indicated that it will continue to provide financial support as necessary for the foreseeable future to ensure the Company can meet all liabilities as they fall due. On this basis, and having made appropriate enquiries of the parent company, the directors are satisfied that it is appropriate to prepare these accounts on a going concern basis.

WY (ROOKERY HALL) LIMITED
Notes to the Financial Statements
for the period from 27 November 2015 to 24 November 2016

Accounting policies (continued)

Turnover

Turnover represents amounts receivable for accommodation, food and beverage sales and ancillary hotel services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised at the point at which goods and services are delivered to the customer. Deposits which have been received at the balance sheet date for which services have not yet been provided are shown as payments in advance within creditors. All turnover arose within the United Kingdom.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold buildings core	50 years
Freehold buildings surface finishes and services	20 years
Fixtures and fittings	4 to 25 years

Freehold land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Interest

Interest income and expense is recognised in the income statement using the effective interest method.

WY (ROOKERY HALL) LIMITED
Notes to the Financial Statements
for the period from 27 November 2015 to 24 November 2016

Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the country where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

WY (ROOKERY HALL) LIMITED
Notes to the Financial Statements
for the period from 27 November 2015 to 24 November 2016

Accounting policies (continued)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 7)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

WY (ROOKERY HALL) LIMITED**Notes to the Financial Statements****for the period from 27 November 2015 to 24 November 2016**

3 Operating loss	2016	2015
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	674,367	594,240
Operating lease rentals - plant and machinery	1,100	1,100
Auditors' remuneration for audit services	<u>3,900</u>	<u>3,900</u>
4 Staff costs	2016	2015
	£	£
Wages and salaries	2,031,901	2,037,659
Social security costs	140,934	134,017
Other pension costs	<u>39,955</u>	<u>38,498</u>
	<u>2,212,790</u>	<u>2,210,174</u>
Agency staff	11,745	2,642
	<u>2,224,535</u>	<u>2,212,816</u>
Average number of employees during the period	Number	Number
Hotel operations	93	90
Administration	<u>9</u>	<u>10</u>
	<u>102</u>	<u>100</u>
None of the directors received any remuneration for the period (2015: £nil).		
5 Interest payable	2016	2015
	£	£
Group interest payable	<u>613,163</u>	<u>567,649</u>

WY (ROOKERY HALL) LIMITED
Notes to the Financial Statements
for the period from 27 November 2015 to 24 November 2016

6 Taxation	2016	2015
	£	£
Current tax		
UK corporation tax at 20.00% (2015: 20.35%)	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on profit on ordinary activities	-	-
Movement in deferred tax provision		
Provision at start of period	-	-
Deferred tax charged in the statement of comprehensive income for the period	-	-
Provision at end of period	-	-
	2016	2015
	£	£
Reconciliation of tax charge		
Loss on ordinary activities before tax	(845,381)	(568,260)
Tax on loss on ordinary activities at standard CT rate	(169,076)	(115,629)
Effects of:		
Expenses not deductible for tax purposes	105,205	97,313
Group relief surrendered	91,588	204,974
Deferred tax not recognised	(57,441)	(251,186)
Difference in tax rates	29,724	64,528
Tax charge for the period	-	-

The company has unrecognised deferred tax assets of £425,000 (2015: £475,000) and £127,000 (2015: £134,000) in respect of depreciation charged in excess of capital allowances at the end of the period and trade losses carried forward available for offset against future trading profits respectively.

WY (ROOKERY HALL) LIMITED**Notes to the Financial Statements****for the period from 27 November 2015 to 24 November 2016****7 Tangible fixed assets**

	Freehold Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 27 November 2015	7,377,832	8,514,937	15,892,769
Additions	-	850,608	850,608
Disposals	-	(248,746)	(248,746)
At 24 November 2016	<u>7,377,832</u>	<u>9,116,799</u>	<u>16,494,631</u>
Depreciation			
At 27 November 2015	960,210	3,779,903	4,740,113
Charge for the period	89,196	585,171	674,367
On disposals	-	(248,746)	(248,746)
At 24 November 2016	<u>1,049,406</u>	<u>4,116,328</u>	<u>5,165,734</u>
Carrying amount			
At 24 November 2016	<u>6,328,426</u>	<u>5,000,471</u>	<u>11,328,897</u>
At 26 November 2015	<u>6,417,622</u>	<u>4,735,034</u>	<u>11,152,656</u>

Included in freehold land and buildings is freehold land of £1,023,000 (2014: £1,023,000) which is not depreciated.

8 Stocks

	2016 £	2015 £
Goods for resale	<u>55,143</u>	<u>62,931</u>

Stock recognised in cost of sales during the period as an expense was £628,177 (2015 £652,622).

9 Debtors

	2016 £	2015 £
Trade debtors	74,188	152,042
Amounts due from fellow subsidiary undertaking	-	45,864
Other debtors	28,532	32,011
Prepayments and accrued income	47,075	41,476
	<u>149,795</u>	<u>271,393</u>

WY (ROOKERY HALL) LIMITED**Notes to the Financial Statements****for the period from 27 November 2015 to 24 November 2016**

10 Creditors: amounts falling due within one year	2016	2015
	£	£
Payments in advance	664,395	568,337
Trade creditors	149,277	170,992
Amounts due to parent undertaking	13,639,005	12,012,641
Amounts due to fellow subsidiary undertaking	-	12,621
Other taxes and social security costs	151,063	163,722
Other creditors	12,994	9,432
Accruals and deferred income	217,342	274,037
	<u>14,834,076</u>	<u>13,211,782</u>

11 Share capital	Nominal value	2016 Number	2016 £	2015 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	4,149,163	4,149,163	<u>4,149,163</u>	<u>4,149,163</u>

12 Reserves

Profit & loss account

This is cumulative profits or losses, net of dividends paid and other adjustments.

13 Defined contribution pension plans

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £39,955 (2015: £38,498). Contributions payable to the fund at the year end included in creditors totalled £5,095 (2015: £2,388).

14 Commitments under operating leases

Total future minimum lease payments under non-cancellable operating leases:

	Other 2016 £	Other 2015 £
Falling due:		
within one year	1,100	1,100
within two to five years	275	1,375
	<u>1,375</u>	<u>2,475</u>

WY (ROOKERY HALL) LIMITED**Notes to the Financial Statements****for the period from 27 November 2015 to 24 November 2016****15 Contingent liabilities**

The company has granted fixed and floating charges over its assets in respect of group borrowing facilities. The amount owed by the Hand Picked Hotels Limited group as at 24 November 2016 was £80,000,000 (2015: £80,000,000).

16 Ultimate parent company and controlling party

The company's ultimate parent company is Alscot Sarl, a company incorporated in Luxembourg. The company's immediate parent undertaking is Hand Picked Hotels Limited. The largest and smallest group in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited. The consolidated accounts of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

The ultimate controlling party is Mr G Hands.

17 Reconciliations on adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 28 November 2014. The impact of the transition to FRS 102 is as follows:

Profit and loss for the year ended 26 November 2015	£
Loss under former UK GAAP	(568,260)
Loss under FRS 102	<u>(568,260)</u>
Balance sheet at 26 November 2015	£
Equity under former UK GAAP	(1,347,044)
Holiday pay accrual transitional adjustment	(18,117)
Equity under FRS 102	<u>(1,365,161)</u>
Balance sheet at 28 November 2014	£
Equity under former UK GAAP	(778,784)
Holiday pay accrual transitional adjustment	(18,117)
Equity under FRS 102	<u>(796,901)</u>

Prior to the adoption of FRS 102, the company did not make provisions for holiday pay earned but not taken. This is required under FRS 102 therefore this has been retrospectively applied resulting in the recognition of a holiday pay accrual on transition and thereafter.