

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

ABILITY HOTELS (LUTON INN) LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2020

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ABILITY HOTELS (LUTON INN) LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:

A C Panayiotou
M D Giles
J D Bregman
J Y Chin

SECRETARY:

J Y Chin

REGISTERED OFFICE:

Hilton London Syon Park
Syon Park
London Road
Brentford
Middlesex
TW8 8JF

REGISTERED NUMBER:

05342812 (England and Wales)

AUDITORS:

Numera Partners LLP
Statutory Auditors
4th Floor
Charles House
108-110 Finchley Road
London
NW3 5JJ

ABILITY HOTELS (LUTON INN) LIMITED (REGISTERED NUMBER: 05342812)

BALANCE SHEET
31 DECEMBER 2020

		31.12.20		31.12.19 as restated
	Notes	£	£	£
FIXED ASSETS				
Tangible assets	4	24,675,773		24,712,969
CURRENT ASSETS				
Stocks		3,767		3,066
Debtors	5	4,574,856		19,613,158
Prepayments and accrued income		92,684		262,579
Cash at bank and in hand		49,896		265,360
		<u>4,721,203</u>		<u>20,144,163</u>
CREDITORS				
Amounts falling due within one year	6	<u>20,257,380</u>		<u>20,027,907</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(15,536,177)</u>		<u>116,256</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,139,596		24,829,225
CREDITORS				
Amounts falling due after more than one year	7	-		(13,893,640)
PROVISIONS FOR LIABILITIES		<u>(2,582,686)</u>		<u>(2,582,686)</u>
NET ASSETS		<u><u>6,556,910</u></u>		<u><u>8,352,899</u></u>
CAPITAL AND RESERVES				
Called up share capital		2		2
Revaluation reserve		8,368,682		8,368,682
Retained earnings		<u>(1,811,774)</u>		<u>(15,785)</u>
SHAREHOLDERS' FUNDS		<u><u>6,556,910</u></u>		<u><u>8,352,899</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2021 and were signed on its behalf by:

A C Panayiotou - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. STATUTORY INFORMATION

Ability Hotels (Luton Inn) 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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of rooms, food and beverages, conference and banqueting rooms excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 15% reducing balance

Leasehold properties - see below

Properties are classified as operational properties when they are used by the company's business as opposed to being held primarily for rental income. Operational properties are revalued annually to their existing value. The leasehold property is depreciated over the term of the lease, 300 years.

Stocks

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leasing commitments

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

Related parties

The company has taken advantage of FRS 102, Section 1AC 35, for the disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member. Amounts owed to and from group companies are therefore shown in aggregate.

Financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the year. Tax is calculated on the basis of tax rates and laws that have been enacted by the period end.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company, therefore continues to adopt the going concern policy in preparing its financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2019 - 35) .

4. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 January 2020	25,046,616	25,575	414,852	25,487,043
Additions	-	-	104,320	104,320
At 31 December 2020	25,046,616	25,575	519,172	25,591,363
DEPRECIATION				
At 1 January 2020	613,012	15,457	145,605	774,074
Charge for year	83,964	1,517	56,035	141,516
At 31 December 2020	696,976	16,974	201,640	915,590
NET BOOK VALUE				
At 31 December 2020	24,349,640	8,601	317,532	24,675,773
At 31 December 2019	24,433,604	10,118	269,247	24,712,969

Cost or valuation at 31 December 2020 is represented by:

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2011	2,324,368	-	-	2,324,368
Valuation in 2012	10,857,631	-	-	10,857,631
Valuation in 2013	(5,785,888)	-	-	(5,785,888)
Valuation in 2014	4,069,747	-	-	4,069,747
Valuation in 2017	(1,193,386)	-	-	(1,193,386)
Valuation in 2018	(24,831)	-	-	(24,831)
Cost	14,798,975	25,575	519,172	15,343,722
	25,046,616	25,575	519,172	25,591,363

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. TANGIBLE FIXED ASSETS - continued

If long leasehold had not been revalued it would have been included at the following historical cost:

	31.12.20	31.12.19 as restated
	£	£
Cost	<u>14,798,975</u>	<u>14,798,975</u>

Long leasehold property, plant and machinery and fixtures and fittings to the sum of £24.7m has been valued by the director at the year end.

5. DEBTORS

	31.12.20	31.12.19 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	<u>135,719</u>	<u>327,342</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>4,439,137</u>	<u>19,285,816</u>
Aggregate amounts	<u>4,574,856</u>	<u>19,613,158</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19 as restated
	£	£
Bank loans and overdrafts (see note 8)	19,159,983	19,159,983
Trade creditors	98,521	168,069
Social security and other taxes	6,835	13,079
VAT	76,053	129,370
Other creditors	37,464	197,549
Deposits held	3,117	3,117
Deferred income	23,279	23,279
Accrued expenses	852,128	333,461
	<u>20,257,380</u>	<u>20,027,907</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19 as restated
	£	£
Amounts owed to group undertakings	<u>-</u>	<u>13,893,640</u>

8. LOANS

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>19,159,983</u>	<u>19,159,983</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20	31.12.19 as restated
	£	£
Bank loans	19,159,983	19,159,983

The bank loan is secured by way of debenture and legal charge over the assets of the company.

The group bank loans were refinanced with new lenders on 18 June 2021 for a term of 30 months.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Giles Cohen (Senior Statutory Auditor)
for and on behalf of Numera Partners LLP

11. RELATED PARTY DISCLOSURES

Included in debtors is an amount of £4,439,137 (2019: £19,559,293) owed by group undertakings.

Included in creditors is an amount of £Nil (2019: £13,893,640) owed to group undertakings.

12. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is The Costas Panayiotou 1997 (No 2) Settlement.

14. PARENT COMPANY

The immediate parent company is Ability Hotels (Luton) Limited, incorporated in England & Wales. The ultimate parent undertaking is A.P. The Ability Group Limited, incorporated in Cyprus.

15. EVENTS AFTER THE REPORTING PERIOD

During the year and subsequent to the year-end, the global economy has seen high levels of market volatility in connection with the COVID-19 pandemic. The business is closely monitoring the latest market developments relating to COVID-19 and its potential impact on the entity. The pandemic is considered a non-adjusting post balance sheet event. The ultimate impact of the COVID-19 pandemic on the global economy is highly uncertain and the full extent of the economic impacts on the financial performance of the companies are as yet unknown. The Director continues to review any developments in the COVID-19 pandemic in the context of the risks presented to the company's business.

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.