

Statement of Consent to Prepare Abridged Financial Statements

All of the members of Monk Fryston Hall Hotel Ltd have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 March 2017 in accordance with Section 444(2A) of the Companies Act 2006.

COMPANY REGISTRATION NUMBER: 08281340

Monk Fryston Hall Hotel Ltd

Filleted Unaudited Abridged Financial Statements

31 March 2017

Monk Fryston Hall Hotel Ltd

Abridged Financial Statements

Year ended 31 March 2017

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Monk Fryston Hall Hotel Ltd

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Abridged Financial Statements of Monk Fryston Hall Hotel Ltd

Year ended 31 March 2017

As described on the abridged statement of financial position, the directors of the company are responsible for the preparation of the abridged financial statements for the year ended 31 March 2017, which comprise the abridged statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these abridged financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

LANGRICKS LIMITED Chartered accountant

Aus-Bore House 19-25 Manchester Road Wilmslow Cheshire SK9 1BQ

21 December 2017

Monk Fryston Hall Hotel Ltd

Abridged Statement of Financial Position

31 March 2017

		2017	2016
	Note	£	£
Fixed assets			
Intangible assets	5	520,012	552,508
Tangible assets	6	1,641,499	1,738,842
		<u>2,161,511</u>	<u>2,291,350</u>
Current assets			
Stocks		20,478	18,751
Debtors		100,970	125,999
Cash at bank and in hand		1,300	1,322
		<u>122,748</u>	<u>146,072</u>
Creditors: amounts falling due within one year		524,143	459,957
Net current liabilities		401,395	313,885
Total assets less current liabilities		1,760,116	1,977,465
Creditors: amounts falling due after more than one year	7	2,341,833	2,427,210
Provisions			
Taxation including deferred tax		83,540	89,042
Net liabilities		(665,257)	(538,787)
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(665,259)	(538,789)
Shareholders deficit		(665,257)	(538,787)

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

Monk Fryston Hall Hotel Ltd

Abridged Statement of Financial Position *(continued)*

31 March 2017

These abridged financial statements were approved by the board of directors and authorised for issue on 21 December 2017 , and are signed on behalf of the board by:

Ms S Mason

Director

Company registration number: 08281340

Monk Fryston Hall Hotel Ltd

Notes to the Abridged Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2 Ashgate Road, Chesterfield, Derbyshire, S40 4AA.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company meets its working capital requirements through the loan facility dated 10 December 2012.

Having discussed the position with their bankers, the directors expect that adequate funds will be available to meet the requirements such that the business will continue in operational existence for the foreseeable future. As such, the directors have continued to adopt the going concern basis in preparing the financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Revenue recognition

Turnover is derived from hotel operations, including the rental of rooms, conferences, food and beverages. Turnover is recognised when rooms are occupied and when food and beverages are sold. Turnover represents sales to external customers at invoice amounts less value added tax or local taxes on sales.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Plant and machinery	-	10% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the abridged statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the abridged statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 43 (2016: 42).

5. Intangible assets

	£
Cost	
At 1 April 2016 and 31 March 2017	650,000

Amortisation	
At 1 April 2016	97,492
Charge for the year	32,496

At 31 March 2017	129,988

Carrying amount	
At 31 March 2017	520,012

At 31 March 2016	552,508

6. Tangible assets

	£
Cost	
At 1 April 2016	2,042,296
Additions	4,743

At 31 March 2017	2,047,039

Depreciation	
At 1 April 2016	303,454
Charge for the year	102,086

At 31 March 2017	405,540

Carrying amount	
At 31 March 2017	1,641,499

At 31 March 2016	1,738,842

7. Creditors: amounts falling due after more than one year

The bank loan of £1,000,000 is repayable in 167 monthly installments commencing May 2014 and carries a fixed rate for 5 years of 4.2% per annum.

The bank loan of £560,000 is repayable in 167 monthly instalments commencing May 2014 and carries a variable interest rate of 3% plus base rate per annum.

The bank loans totalling £1,373,764 at 31st March 2017 are secured by a guarantee from Mr G Davies and Ms S Mason and a legal charge over the freehold property, Monk Fryston Hall Hotel, Monk Fryston, North Yorkshire.

8. Related party transactions

The company is controlled by the shareholders as detailed in the register of members. The directors do not consider there to be one ultimate controlling party. The directors have outstanding loans due from the company totalling £1,008,087. No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standards for Smaller Entities.

9. Transition to FRS 102

These are the first abridged financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.

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.