

Company Registration No. 09622039 (England and Wales)

BAXTER (OPCO) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019
PAGES FOR FILING WITH REGISTRAR

BAXTER (OPCO) LIMITED

COMPANY INFORMATION

| | |
|---|--|
| Directors | Mr R M Baxter Mr R A Baxter Mr S R Ashdown |
| Company number | 09622039 |
| Registered office and business address | Canada House 3 Broadgate Broadway Business Park Chadderton Greater Manchester OL9 9XA |
| Accountants | Pierce C A Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY |

BAXTER (OPCO) LIMITED

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BAXTER (OPCO) LIMITED

BALANCE SHEET

AS AT 30 JUNE 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 573,020 | | 662,687 |
| Current assets | | | | | |
| Debtors | 4 | 285,809 | | 281,007 | |
| Cash at bank and in hand | | 331,099 | | 139,125 | |
| | | <u>616,908</u> | | <u>420,132</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(628,703)</u> | | <u>(563,591)</u> | |
| Net current liabilities | | | (11,795) | | (143,459) |
| Total assets less current liabilities | | | 561,225 | | 519,228 |
| Creditors: amounts falling due after more than one year | 6 | | (689,574) | | (689,574) |
| Net liabilities | | | <u>(128,349)</u> | | <u>(170,346)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 100 | | 100 |
| Profit and loss reserves | | | (128,449) | | (170,446) |
| Total equity | | | <u>(128,349)</u> | | <u>(170,346)</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

BAXTER (OPCO) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2019

The financial statements were approved by the board of directors and authorised for issue on 24 March 2020 and are signed on its behalf by:

Mr S R Ashdown
Director

Company Registration No. 09622039

BAXTER (OPCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

Company information

Baxter (Opco) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Optimum House, Clippers Quay, Salford, Manchester, M50 3XP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is reliant on the continued support of a related company, Baxter Investment Company Limited.

The directors of the above company have indicated that they will continue to provide financial support to the company for the foreseeable future.

The company's directors therefore consider that in preparing the financial statements they have taken into account all the information that could reasonably be expected to be available.

On this basis they consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|----------------------------------|
| Hotel fit out costs | 10% per annum - reducing balance |
|---------------------|----------------------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BAXTER (OPCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic 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.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

BAXTER (OPCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies (Continued)

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 29 (2018 - 28).

3 Tangible fixed assets

Plant and machinery etc £

Cost

At 1 July 2018 849,434

Additions 839

Disposals (6,109)

At 30 June 2019 844,164

Depreciation and impairment

At 1 July 2018 186,747

Depreciation charged in the year 84,397

At 30 June 2019 271,144

Carrying amount

At 30 June 2019 573,020

At 30 June 2018 662,687

4 Debtors

Amounts falling due within one year: 2019 2018
£ £

Other debtors 285,809 281,007

BAXTER (OPCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

5 Creditors: amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 247,370 | 239,181 |
| Other taxation and social security | 62,046 | 60,653 |
| Other creditors | 319,287 | 263,757 |
| | <u>628,703</u> | <u>563,591</u> |

6 Creditors: amounts falling due after more than one year

| | 2019 | 2018 |
|-----------------|----------------|----------------|
| | £ | £ |
| Other creditors | 689,574 | 689,574 |
| | <u>689,574</u> | <u>689,574</u> |

Included in Other creditors is a loan of £769,574 (2018: £769,574) advanced from Baxter Investment Company Limited. This loan is secured by a floating charge over the present and future assets of the company.

7 Called up share capital

| | 2019 | 2018 |
|---------------------------------|-------------|-------------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 50 A Ordinary shares of £1 each | 50 | 50 |
| 50 B Ordinary shares of £1 each | 50 | 50 |
| | <u>100</u> | <u>100</u> |

Both classes of shares rank pari passu in all respects.

BAXTER (OPCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| 2019 | 2018 |
|------------------|------------------|
| £ | £ |
| 1,083,333 | 1,733,333 |
| <u>1,083,333</u> | <u>1,733,333</u> |

On 7 March 2016 the company signed a lease for a term of 5 years for the property at 7-19 Amhurst Road, Hackney, London. The annual rent for the property is £650,000.

9 Parent company

The company is a joint venture between Baxter Investment Company Limited, a company registered in Guernsey, and The Baxter Hostels Limited, a company registered in Scotland.

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.