

Company Registration No. 09622039 (England and Wales)

**BAXTER (OPCO) LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# **BAXTER (OPCO) LIMITED**

## **COMPANY INFORMATION**

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

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# **BAXTER (OPCO) LIMITED**

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# BAXTER (OPCO) LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	3		488,602		573,020
<b>Current assets</b>					
Debtors	4	169,795		285,809	
Cash at bank and in hand		124,417		331,099	
		<u>294,212</u>		<u>616,908</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(424,214)</u>		<u>(628,703)</u>	
<b>Net current liabilities</b>			(130,002)		(11,795)
<b>Total assets less current liabilities</b>			358,600		561,225
<b>Creditors: amounts falling due after more than one year</b>	6		(689,574)		(689,574)
<b>Net liabilities</b>			<u>(330,974)</u>		<u>(128,349)</u>
<b>Capital and reserves</b>					
Called up share capital	7		100		100
Profit and loss reserves			(331,074)		(128,449)
<b>Total equity</b>			<u>(330,974)</u>		<u>(128,349)</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 2020 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 2020***

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The financial statements were approved by the board of directors and authorised for issue on 24 May 2021 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 2020**

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### **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.

Whilst the directors have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses represents an uncertainty and the true impact of this pandemic will only become apparent over time. The directors have given due consideration to the impact of the pandemic on the company and consider that it will have adequate resources to manage that impact.

#### **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
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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.

# **BAXTER (OPCO) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2020**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 Cash at bank and in hand**

Cash and cash equivalents 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.

#### **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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

# BAXTER (OPCO) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

### 1 Accounting policies

(Continued)

#### 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.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

#### 1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 31 (2019 - 29).

### 3 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 July 2019 and 30 June 2020	844,164
<b>Depreciation and impairment</b>	
At 1 July 2019	271,144
Depreciation charged in the year	84,418
At 30 June 2020	355,562
<b>Carrying amount</b>	
At 30 June 2020	488,602
At 30 June 2019	573,020



## BAXTER (OPCO) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

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<b>4 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	169,795	285,809
	<u>          </u>	<u>          </u>

<b>5 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	270,935	247,370
Taxation and social security	21,993	62,046
Other creditors	131,286	319,287
	<u>          </u>	<u>          </u>
	<u>424,214</u>	<u>628,703</u>

<b>6 Creditors: amounts falling due after more than one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	689,574	689,574
	<u>          </u>	<u>          </u>

Included in Other creditors is a loan of £769,574 (2019: £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.

<b>7 Called up share capital</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
50 A Ordinary shares of £1 each	50	50
50 B Ordinary shares of £1 each	50	50
	<u>          </u>	<u>          </u>
	<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 2020**

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#### **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:

<b>2020</b>	<b>2019</b>
<b>£</b>	<b>£</b>
433,333	1,083,333
<u>433,333</u>	<u>1,083,333</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.