

Company Registration Number 07356848

ABBAY HOUSE (CUMBRIA) LIMITED
FINANCIAL STATEMENTS
30th SEPTEMBER 2015

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ABBAY HOUSE (CUMBRIA) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

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ABBHEY HOUSE (CUMBRIA) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mrs A M Kilroe
Mr B G Conroy
Mr T A Kilroe
Mr N Hopkins-Coman

Registered office

Abbey House
Abbey Road
Barrow-in-Furness
Cumbria
LA13 0PA

Auditor

Horsfield & Smith
Chartered Accountants
& Statutory Auditor
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

Bankers

National Westminster
113 Dalton Road
Barrow-in-Furness
Cumbria
LA14 1WY

ABBHEY HOUSE (CUMBRIA) LIMITED

STRATEGIC REPORT

YEAR ENDED 30th SEPTEMBER 2015

The company holds the tangible property, plant & machinery of the Abbey House Hotel in Cumbria which is operated by its wholly owned subsidiary the Abbey House Hotel (Cumbria) Limited (AHHCL).

The company makes rental charges to the trading company AHHCL for the use of the hotel assets and makes interest payments on loans from other group companies and related parties.

The ultimate parent company is Thornsett Vale Limited which produces consolidated accounts.

The company is subject to the same general risks and uncertainties as any other business, for example, the changes in general economic conditions and interest rate fluctuations. The trading subsidiary must consider the risks relating to the hotel industry.

The directors are responsible for reviewing the principal areas of risk and uncertainty so that major risks can be identified and mitigating action taken. The directors meet on a monthly basis to review the management accounts and performance of the hotel and the overall group. They monitor other key financial information on a weekly basis.

The key financial performance indicator for the company is:

	2015	2014
	£	£
EBITDA	199,930	199,931

The hotel has undergone a significant refurbishment during the year with the majority of public rooms and bedrooms being improved. As a result of these refurbishments there has been a substantial increase in the depreciation charge. The trading subsidiary was severely disrupted during the second quarter whilst this work was carried out but the benefits are already been seen with a significant increase in wedding bookings and general trade. The hotel has also now obtained four star ranking with the AA. At the year end the directors are satisfied with the performance of the company and its subsidiary within the group and expect an improvement in the results for the next financial year.

Signed on behalf of the directors



Mr N Hopkins-Coman

Director

Approved by the directors on 12th January 2016

ABBHEY HOUSE (CUMBRIA) LIMITED

DIRECTORS' REPORT

YEAR ENDED 30th SEPTEMBER 2015

The directors present their report and the financial statements of the company for the year ended 30th September 2015.

RESULTS AND DIVIDENDS

The loss for the year amounted to £211,252. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

DIRECTORS

The directors who served the company during the year were as follows:

Mrs A M Kilroe
Mr B G Conroy
Mr T A Kilroe
Mr N Hopkins-Coman

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

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.

ABBHEY HOUSE (CUMBRIA) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th SEPTEMBER 2015

AUDITOR

Horsfield & Smith are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Abbey House
Abbey Road
Barrow-in-Furness
Cumbria
LA13 0PA

Signed on behalf of the directors



Mr N Hopkins-Coman

Director

Approved by the directors on 12th January 2016

ABBEY HOUSE (CUMBRIA) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABBEY HOUSE (CUMBRIA) LIMITED



YEAR ENDED 30th SEPTEMBER 2015

We have audited the financial statements of Abbey House (Cumbria) Limited for the year ended 30th September 2015 which comprise the Profit and Loss Account, Balance Sheet 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 shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30th September 2015 and of its loss for the year 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.

ABBHEY HOUSE (CUMBRIA) LIMITED



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABBHEY HOUSE (CUMBRIA) LIMITED *(continued)*

YEAR ENDED 30th SEPTEMBER 2015

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

JONATHAN STAPLES FCA
(Senior Statutory Auditor)
For and on behalf of
HORSFIELD & SMITH
Chartered Accountants
& Statutory Auditor

Date 14/1/16

ABBAY HOUSE (CUMBRIA) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30th SEPTEMBER 2015

	Note	2015 £	2014 £
TURNOVER		–	–
Administrative expenses		193,909	72,943
Other operating income	2	(200,000)	(200,000)
OPERATING PROFIT	3	6,091	127,057
Interest receivable	5	–	10,440
Interest payable and similar charges	6	(222,025)	(170,822)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(215,934)	(33,325)
Tax on loss on ordinary activities	7	(4,682)	4,682
LOSS FOR THE FINANCIAL YEAR		(211,252)	(38,007)
Balance brought forward		102,465	140,472
Balance carried forward		(108,787)	102,465

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 9 to 14 form part of these financial statements.

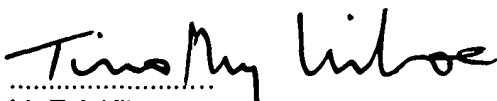
ABBAY HOUSE (CUMBRIA) LIMITED

BALANCE SHEET

30th SEPTEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	8	4,967,136	4,901,470
Investments	9	100	100
		<u>4,967,236</u>	<u>4,901,570</u>
CREDITORS: Amounts falling due within one year	10	<u>4,808,556</u>	<u>4,466,956</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>158,680</u>	<u>434,614</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	11	–	4,682
Government grants	12	<u>267,367</u>	<u>327,367</u>
		<u>(108,687)</u>	<u>102,565</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15	100	100
Profit and loss account		<u>(108,787)</u>	<u>102,465</u>
(DEFICIT)/SHAREHOLDERS' FUNDS	16	<u>(108,687)</u>	<u>102,565</u>

These accounts were approved by the directors and authorised for issue on 12th January 2016, and are signed on their behalf by:


.....
Mr T A Kilroe

Company Registration Number: 07356848

The notes on pages 9 to 14 form part of these financial statements.

ABBHEY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The accounts have been prepared on a going concern basis as the company has the support of its profitable subsidiary and other group companies.

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Leasehold Property	-	2% straight line
Plant & Machinery	-	20% straight line
Fixtures & Fittings	-	15% straight line

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

ABBEY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. OTHER OPERATING INCOME

	2015	2014
	£	£
Rent receivable	<u>200,000</u>	<u>200,000</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Amortisation of government grants re fixed assets	(60,000)	(60,000)
Depreciation of owned fixed assets	<u>253,839</u>	<u>132,874</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2015	2014
	No	No
Directors	<u>4</u>	<u>4</u>

No salaries or wages have been paid to employees, including the directors, during the year.

5. INTEREST RECEIVABLE

	2015	2014
	£	£
Interest from group undertakings	<u>-</u>	<u>10,440</u>

ABBNEY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Other similar charges payable	<u>222,025</u>	<u>170,822</u>

7. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2015 £	2014 £
Deferred tax:		
Origination and reversal of timing differences	<u>(4,682)</u>	<u>4,682</u>

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2014 - 20%).

	2015 £	2014 £
Loss on ordinary activities before taxation	<u>(215,934)</u>	<u>(33,325)</u>
Loss on ordinary activities by rate of tax	(43,187)	(6,665)
Expenses not deductible for tax purposes	-	3,964
Capital allowances in excess of depreciation	(7,830)	(8,508)
Unrelieved tax losses	30,311	9,857
Group relief surrendered	<u>20,706</u>	<u>1,352</u>
Total current tax	<u>-</u>	<u>-</u>

ABBAY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

8. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST				
At 1st October 2014	4,830,656	692,851	292,330	5,815,837
Additions	167,108	117,309	35,088	319,505
At 30th September 2015	<u>4,997,764</u>	<u>810,160</u>	<u>327,418</u>	<u>6,135,342</u>
DEPRECIATION				
At 1st October 2014	590,622	310,026	13,719	914,367
Charge for the year	91,640	112,119	50,080	253,839
At 30th September 2015	<u>682,262</u>	<u>422,145</u>	<u>63,799</u>	<u>1,168,206</u>
NET BOOK VALUE				
At 30th September 2015	<u>4,315,502</u>	<u>388,015</u>	<u>263,619</u>	<u>4,967,136</u>
At 30th September 2014	<u>4,240,034</u>	<u>382,825</u>	<u>278,611</u>	<u>4,901,470</u>

9. INVESTMENTS

	Shares in group undertakings £
COST	
At 1st October 2014 and 30th September 2015	<u>100</u>
NET BOOK VALUE	
At 30th September 2015 and 30th September 2014	<u>100</u>

The company owns 100% of the issued share capital of the Abbey House Hotel (Cumbria) Limited, a company incorporated in England with a 30th September year end.

	2015 £	2014 £
Aggregate capital and reserves	493,437	309,502
Profit and (loss) for the year	201,252	(1,279)

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

ABBEY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

10. CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Other loans	801,741	750,000
Trade creditors	6,509	3,008
Amounts owed to group undertakings	3,955,227	3,546,455
Accruals and deferred income	45,079	167,493
	<u>4,808,556</u>	<u>4,466,956</u>

11. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2015	2014
	£	£
Provision brought forward	4,682	-
Profit and loss account movement arising during the year	(4,682)	4,682
Provision carried forward	<u>-</u>	<u>4,682</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2015	2014
	£	£
Excess of taxation allowances over depreciation on fixed assets	28,698	14,539
Tax losses available	(28,698)	(9,857)
	<u>-</u>	<u>4,682</u>

12. GOVERNMENT GRANTS

	2015	2014
	£	£
Received and receivable:		
At 1st October 2014	849,862	849,862
At 30th September 2015	<u>849,862</u>	<u>849,862</u>
Amortisation:		
At 1st October 2014	522,495	462,495
Credit to profit and loss account	60,000	60,000
At 30th September 2015	<u>582,495</u>	<u>522,495</u>
Net balance at 30th September 2015	<u>267,367</u>	<u>327,367</u>

ABBHEY HOUSE (CUMBRIA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2015

13. CONTINGENCIES

The assets of the company are secured by a debenture dated 26 February 2014 in respect of amounts due to the Nat West Bank by the companies within the group. The total contingent liability at 30 September 2015 was £3,545,476 (2014 : £3,753,056).

14. RELATED PARTY TRANSACTIONS

As part of a group restructure, with effect from the 27th November 2011, certain assets of the Abbey House Hotel were transferred to Abbey House (Cumbria) Limited from Catford & Longford Limited. The company pays interest at 4.5% over base to Catford & Longford on the intercompany balances created by the transfer.

The ultimate controlling party of the company is the T Kilroe Life Interest Settlement which is a trust whose principal beneficiary is Mr T A Kilroe.

During the year the company made purchases of £23,748 from Bethell Group plc, a company under the control of Mr T A Kilroe. Included trade creditors is an amount of £6,510 due to Bethell Group plc.

During the year the company received £225,000 loan advances from Bethell Construction Limited and repaid £173,259. At the year end the loan balance owing to Bethell Construction Limited was £801,741. Interest is applied at 7.5%.

15. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Loss for the financial year	(211,252)	(38,007)
Opening shareholders' funds	<u>102,565</u>	<u>140,572</u>
Closing shareholders' (deficit)/funds	<u>(108,687)</u>	<u>102,565</u>

17. ULTIMATE PARENT COMPANY

The company's immediate parent is Catford & Longford Limited. The ultimate parent is Thornsett Vale Limited. Both are incorporated in England.