

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 29 NOVEMBER 2015**

THURSDAY



\*A5KEZTMY\*

A10

24/11/2016

#442

COMPANIES HOUSE

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

**COMPANY INFORMATION**

---

<b>Directors</b>	H N A Goodman M A Carminger J S Sixsmith L I P Carminger
<b>Company secretary</b>	J S Sixsmith
<b>Registered number</b>	472556
<b>Registered office</b>	Fourteen Acre Barn Climping Street Climping Littlehampton West Sussex BN17 5TG
<b>Trading address</b>	South Street Midhurst West Sussex GU29 9NH
<b>Independent auditors</b>	Nyman Libson Paul Chartered Accountants & Statutory Auditors Regina House 124 Finchley Road London NW3 5JS

---

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	1 - 2
<b>Strategic report</b>	3 - 4
<b>Independent auditors' report</b>	5 - 6
<b>Profit and loss account</b>	7
<b>Statement of total recognised gains and losses</b>	8
<b>Note of historical cost profits and losses</b>	8
<b>Balance sheet</b>	9
<b>Notes to the financial statements</b>	10 - 18

---

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

---

**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

The directors present their report and the financial statements for the period ended 29 November 2015.

**Directors**

The directors who served during the period were:

H N A Goodman  
M A Carminger  
J S Sixsmith  
L I P Carminger

**Results**

The profit for the period, after taxation, amounted to £90,418 (2014 - £12,592).

**Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, the 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Financial risk management**

The company's financial instruments include cash, trade debtors and trade creditors all arising in the normal course of business. The main financial risks to which the company is exposed include liquidity risk, cash flow risk and credit risk. These risks are managed by ensuring sufficient liquidity is available to meet foreseeable needs.

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

**Auditors**


The auditors, Nyman Libson Paul, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on *21<sup>st</sup> July 2016* and signed on its behalf.

  
.....  
**J S Sixsmith**  
Director

---

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

---

**STRATEGIC REPORT  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

**Principal activity**

The principal activity of the company continued to be the operation of a Country Hotel and Spa.

**Business review**

The company is operating in an established sector within the Hospitality Industry and is competing with an appropriate business model.

The company largely competes in the Southern part of England with providers of Luxury Hotel and Spa services. The historic premises of the company's operation has over many years been subject to substantial investment and development.

The company operates in a wide ranging legal and regulatory environment such as but not limited to: Corporate Governance, Health and Safety, Environmental, Bribery and Corruption, Employment Law and Diversity, Disability Access, Data Privacy and Information Protection, Relationships, Financial, Accounting and Taxation.

The overriding aim of the company is to further strengthen its financial position, producing the reserves needed to continue to reward its employees and shareholders, provide funds for future capital investment and provide support to the local community.

Operationally the company is focused on customer or guest satisfaction. The aim of the company is to meet those needs and develop customer loyalty.

Over many years the company have made continuing and substantial capital investment into the property by way, of upgrading, bedroom expansion, the addition of facilities such as the Spa and technological improvements.

To continue to grow its business sustainably and responsibly the company needs a talented and passionate team of people and we as a company employ and attract some of the best professionals in our sector.

The company is a subsidiary of a larger Hotel operating group and as such has access to a broader range of operational and financial resources. At group level we search-out and where proven adopt additional operational technologies and systems which will deliver commercial advantage.

The focus of the business is to re-build those profitable revenues and volumes lost during the recent recession.

**Principal risks and uncertainties**

The company is a subsidiary of Historic Sussex Hotels Limited and the company may be directly or indirectly impacted by circumstances that affect the parent company or its subsidiaries. The "Risks and Uncertainties" stated below maybe common to the Company, the parent company and its subsidiaries.

The Company is exposed to political and economic developments such as recession, inflation, availability of credit and currency fluctuations that could lower revenues reduce profit and ultimately impact the value of the business.

The Room rates and occupancy levels of the Company could be adversely impacted by events that reduce domestic travel, such as natural disasters, and epidemics. A decrease in demand for hotel rooms as a result of such events may have an adverse impact on the Company operations and financial results. In addition, inadequate contingency planning or recovery capability in relation to a major incident or crisis may prevent operational continuity and consequently impact the reputation of the Company.

The Company is required to comply with existing and changing regulations this affects countless aspects of the Company's business ranging from Corporate Governance, Health and Safety, Environmental, Bribery and

## THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED

### STRATEGIC REPORT (continued) FOR THE PERIOD ENDED 29 NOVEMBER 2015

Corruption, Employment Law and Diversity, Disability Access, Data Privacy and Information Protection, Relationships, Financial, Accounting and Taxation. Regulatory changes may require significant changes in the way the business operates and may inhibit the strategy including markets the company operates in, brand protection and use of or transmittal of customer data. If the company fails to comply with an existing or changing regulations, the company may be subject to fines, prosecution, loss of operational licences which may cause the company to cease or restrict normal trading levels, or reputation damage.

The Company and wider Group is exposed to a variety of risks associated with its financial stability and ability to borrow and satisfy debt covenants. The Company and Group has utilised its own Capital and utilised lenders funds in order to develop and extend its business. The Group is reliant upon having financial strength to meet its debt service covenants. Non-compliance with these covenants could result in the lenders demanding repayment of the funds advanced. If the Group's financial performance does not meet market expectations, it may not be able to refinance existing facilities on terms considered favourable.

#### Financial key performance indicators


The Company has a holistic set of carefully selected key performance indicators to monitor its success in achieving strategy. In particular the company uses the following measures to monitor performance

- Turnover
- Staff costs as a ratio of Turnover
- EBITDA

The company's recent performance against these KPI's is summarised below

- Turnover in the year increased by 10%
- Staff costs as a % of Turnover is 34%
- EBITDA increased by 51%

This report was approved by the board on 21<sup>st</sup> July 2016 and signed on its behalf.

  
.....  
**J S Sixsmith**  
Director

---

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

---

---

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE SPREAD EAGLE HOTEL  
(MIDHURST) LIMITED**

---

We have audited the financial statements of The Spread Eagle Hotel (Midhurst) Limited for the period ended 29 November 2015, set out on pages 7 to 18. 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 members, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the directors' responsibilities statement, 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 strategic report and the directors' 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 29 November 2015 and of its profit for the period 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE SPREAD EAGLE HOTEL  
(MIDHURST) LIMITED**

**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.

*Nyman Libson Paul*

Jennifer Pope (Senior statutory auditor)

for and on behalf of  
**Nyman Libson Paul**

Chartered Accountants  
Statutory Auditors

Regina House  
124 Finchley Road  
London

NW3 5JS

Date: *21 July 2016*

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

	Note	Period ended 29 November 2015 £	Period ended 30 November 2014 £
<b>TURNOVER</b>	1,2	2,521,882	2,290,854
Cost of sales		(534,365)	(485,599)
<b>GROSS PROFIT</b>		1,987,517	1,805,255
Administrative expenses		(1,857,534)	(1,748,113)
<b>OPERATING PROFIT</b>	3	129,983	57,142
Interest receivable and similar income		1,903	779
Interest payable and similar charges	5	(41,468)	(45,329)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		90,418	12,592
Tax on profit on ordinary activities	6	-	-
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	14	90,418	12,592

All amounts relate to continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

<p><b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b></p>
---

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	90,418	12,592
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD</b>	90,418	12,592

**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
<b>REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	90,418	12,592
Difference between a historical cost depreciation charge and the actual depreciation charge for the period calculated on the revalued amount	31,835	31,835
<b>HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	122,253	44,427
<b>HISTORICAL PROFIT FOR THE PERIOD AFTER TAXATION</b>	122,253	44,427


The notes on pages 10 to 18 form part of these financial statements.

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**  
**REGISTERED NUMBER: 472556**

**BALANCE SHEET**  
**AS AT 29 NOVEMBER 2015**

	Note	29 November 2015 £	30 November 2014 £
<b>FIXED ASSETS</b>			
Tangible assets	7	2,114,965	2,156,985
<b>CURRENT ASSETS</b>			
Stocks	8	23,335	25,537
Debtors	9	97,691	97,885
Cash at bank and in hand		458,349	428,979
		<u>579,375</u>	<u>552,401</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(644,771)</u>	<u>(698,615)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(65,396)</u>	<u>(146,214)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,049,569</u>	<u>2,010,771</u>
<b>CREDITORS: amounts falling due after more than one year</b>	11	<u>(982,892)</u>	<u>(1,034,512)</u>
<b>NET ASSETS</b>		<u><u>1,066,677</u></u>	<u><u>976,259</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	100	100
Revaluation reserve	14	2,648,211	2,648,211
Profit and loss account	14	<u>(1,581,634)</u>	<u>(1,672,052)</u>
<b>SHAREHOLDERS' FUNDS</b>	15	<u><u>1,066,677</u></u>	<u><u>976,259</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

  
 .....  
**J S Sixsmith**  
 Director

*21<sup>st</sup> July 2016*

The notes on pages 10 to 18 form part of these financial statements.

---

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of long leasehold land and buildings and in accordance with applicable accounting standards.

The company has returned to profitability although it shows net current liabilities at the balance sheet date of £65,396 and is being supported by its parent company. The company participates in its group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.2 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the 53 weeks, exclusive of Value Added Tax and trade discounts.

Sale of goods

The Hotel operates restaurant and bar facilities. Sales of goods are recognised when the restaurant or bar sells a product to a customer.

Sale of services

The Hotel supplies conference and event facilities as well as hotel rooms to businesses and private customers. Sales of rooms and conference and event facilities are recognised on the dates those facilities are used. Deposits received in advance are not recognised as turnover until the day of the stay or the event.

Spa membership joining fees are recognised in full at the time membership commences. Annual subscriptions are recognised evenly over the membership year.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	over the period of the lease
Fixtures and fittings	-	20% reducing balance
Health club and spa equipment	-	10% straight line

---

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

**1. ACCOUNTING POLICIES (continued)**

**1.4 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

**1.5 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**1.6 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value.

**1.8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

**1.9 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

# THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 NOVEMBER 2015

### 2. TURNOVER

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

### 3. OPERATING PROFIT

The operating profit is stated after charging:

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
Depreciation of tangible fixed assets:		
- owned by the company	101,204	95,874
Auditors' remuneration	8,000	8,000
Operating lease rentals:		
- other operating leases	126,094	116,736
	<u>126,094</u>	<u>116,736</u>

During the period, no director received any emoluments (2014 - £NIL).

### 4. STAFF COSTS

Staff costs were as follows:

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
Wages and salaries	797,471	766,407
Social security costs	47,964	47,710
Other pension costs	10,893	11,078
	<u>856,328</u>	<u>825,195</u>

The average monthly number of employees during the period was as follows:

	Period ended 29 November 2015 No.	Period ended 30 November 2014 No.
Management	3	4
Administration	7	6
Production and sales	62	53
	<u>72</u>	<u>63</u>

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

**5. INTEREST PAYABLE**

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
On other loans	41,468	45,329

Interest payable represents £41,468 (2014: £45,329) payable on loans from the parent company.

**6. TAXATION**

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
UK corporation tax charge on profit for the period	-	-

**Factors affecting tax charge for the period**

The tax assessed for the period is the same as (2014 - the same as) the standard rate of corporation tax in the UK of 20% (2014 - 21%) as set out below:

	Period ended 29 November 2015 £	Period ended 30 November 2014 £
Profit on ordinary activities before tax	90,418	12,592
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21%)	18,084	2,644
<b>Effects of:</b>		
Capital allowances for period in excess of depreciation	2,012	788
Utilisation of tax losses	(20,096)	(3,432)
<b>Current tax charge for the period</b> (see note above)	-	-

There are available trading losses of £509 (2014: £100,991) to carry forward to the next period.



# THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 NOVEMBER 2015

### 7. TANGIBLE FIXED ASSETS

	Land & buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost or valuation</b>			
At 1 December 2014	4,203,718	1,373,474	5,577,192
Additions	-	59,184	59,184
At 29 November 2015	4,203,718	1,432,658	5,636,376
<b>Depreciation</b>			
At 1 December 2014	2,176,874	1,243,333	3,420,207
Charge for the period	63,339	37,865	101,204
At 29 November 2015	2,240,213	1,281,198	3,521,411
<b>Net book value</b>			
At 29 November 2015	1,963,505	151,460	2,114,965
At 30 November 2014	2,026,844	130,141	2,156,985

An interim valuation of the leasehold property, inclusive of fixtures, fittings and equipment was carried out in June 2014 by Messrs Knight Frank, Chartered Surveyors on the basis of market value at that date. In the opinion of the directors, the value at 29 November 2015 is not significantly different to that at the date of the valuation.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	29 November 2015 £	30 November 2014 £
Cost	1,317,924	1,317,924
Accumulated depreciation	(876,883)	(845,379)
Net book value	441,041	472,545

### 8. STOCKS

	29 November 2015 £	30 November 2014 £
Finished goods and goods for resale	23,335	25,537

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

**9. DEBTORS**

	29 November 2015 £	30 November 2014 £
Trade debtors	49,856	47,814
Other debtors	636	636
Prepayments and accrued income	47,199	49,435
	97,691	97,885
	97,691	97,885

**10. CREDITORS:  
Amounts falling due within one year**

	29 November 2015 £	30 November 2014 £
Trade creditors	350,506	466,190
Amounts owed to group undertakings	26,904	45,493
Other taxation and social security	80,466	81,082
Other creditors	39,239	33,194
Accruals and deferred income	147,656	72,656
	644,771	698,615
	644,771	698,615

**11. CREDITORS:  
Amounts falling due after more than one year**

	29 November 2015 £	30 November 2014 £
Loan from parent company -other loans	982,892	1,034,512
	982,892	1,034,512
	982,892	1,034,512

Included within the above are amounts falling due as follows:

	29 November 2015 £	30 November 2014 £
<b>Over five years</b>		
Other loans	982,892	1,034,512
	982,892	1,034,512
	982,892	1,034,512

<b>THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED</b>
--

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

**11. CREDITORS:**

***Amounts falling due after more than one year (continued)***

Creditors include amounts not wholly repayable within 5 years as follows:

	29 November 2015 £	30 November 2014 £
Repayable by instalments	982,892	1,034,512
	<u>          </u>	<u>          </u>

The loan from the parent company bears an interest rate of 3.5% and the company has mitigated its risk to interest rate changes by fixing the cost of its borrowings with short and medium term financial instruments.

**12. DEFERRED TAXATION**

	29 November 2015 £	30 November 2014 £
At beginning and end of period	-	-
	<u>          </u>	<u>          </u>

Deferred tax not provided in the financial statements comprises £531,000 (2014: £560,000) relating to the surplus arising on the revaluation of the land and buildings. The directors have no plans to dispose of the property in the foreseeable future.

# THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 NOVEMBER 2015

### 13. SHARE CAPITAL

	29 November 2015 £	30 November 2014 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

### 14. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 December 2014	2,648,211	(1,672,052)
Profit for the period		90,418
At 29 November 2015	2,648,211	(1,581,634)

### 15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	29 November 2015 £	30 November 2014 £
Opening shareholders' funds	976,259	963,667
Profit for the financial period	90,418	12,592
Closing shareholders' funds	1,066,677	976,259

### 16. CONTINGENT LIABILITIES

The company has given legal charges over its long leasehold property and inter-group cross guarantees to secure repayment of the bank loans of its parent company, Historic Sussex Hotels Limited. At the balance sheet date, the amount outstanding was £11,463,400 (2014: £12,036,572).

### 17. PENSION COMMITMENTS

The company operates a money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,466 (2014: £11,078). There were no contributions outstanding at the year end (2014: £nil).

---

**THE SPREAD EAGLE HOTEL (MIDHURST) LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 29 NOVEMBER 2015**

---

**18. OPERATING LEASE COMMITMENTS**

At 29 November 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 29 November 2015 £	30 November 2014 £
<b>Expiry date:</b>		
After more than 5 years	<u>110,000</u>	<u>110,000</u>

**19. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption available under Financial Reporting Standard No 8: Related Party Disclosures applicable to 100% subsidiary undertakings regarding the disclosure of related party transactions within the same group. Outstanding balances relating to group undertakings are disclosed within the relevant notes.

Group companies have given various guarantees to secure the company's bank borrowings. Additionally the company has entered into unlimited corporate guarantees along with its fellow subsidiary undertakings Ockenden Manor Limited and Bailiffscourt Limited in respect of all liabilities incurred between them.

**20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent company is Historic Sussex Hotels Limited which is the parent undertaking for the largest group for which the financial statements are drawn up and of which the company is a member.

The financial statements of Historic Sussex Hotels Limited are filed with the Registrar of Companies in England and Wales.

For the whole period and at the balance sheet date the company and the group of which it is a member were under the control of Mr H N A Goodman.