

Wentworth Hotel Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2019

Wentworth Hotel Limited

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Wentworth Hotel Limited

Company Information

Directors	Ms AV Jackman Mrs J M G Fowles Mr M G A Pritt
Company secretary	Mr M G A Pritt
Registered office	The Wentworth Hotel Aldeburgh Suffolk IP15 5BD
Accountants	Jacobs Allen Limited Chartered Accountants & Chartered Tax Advisers 59 Abbeygate Street Bury St Edmunds Suffolk IP33 1LB

Wentworth Hotel Limited
(Registration number: 00434090)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	1,493,355	1,512,113
Other financial assets	<u>5</u>	6,384,853	5,790,664
		<u>7,878,208</u>	<u>7,302,777</u>
Current assets			
Stocks		20,407	26,986
Debtors	<u>6</u>	69,860	185,653
Cash at bank and in hand		2,473,819	1,869,432
		<u>2,564,086</u>	<u>2,082,071</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(637,281)</u>	<u>(585,325)</u>
Net current assets		<u>1,926,805</u>	<u>1,496,746</u>
Total assets less current liabilities		9,805,013	8,799,523
Provisions for liabilities		<u>(203,698)</u>	<u>(116,468)</u>
Net assets		<u>9,601,315</u>	<u>8,683,055</u>
Capital and reserves			
Called up share capital	<u>8</u>	21,002	21,002
Profit and loss account		9,580,313	8,662,053
Shareholders' funds		<u>9,601,315</u>	<u>8,683,055</u>

For the financial year ending 31 December 2019 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 4 September 2020 and signed on its behalf by:

Wentworth Hotel Limited
(Registration number: 00434090)
Balance Sheet as at 31 December 2019

.....
Mr M G A Pritt
Company secretary and director

Wentworth Hotel Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Wentworth Hotel
Aldeburgh
Suffolk
IP15 5BD

These financial statements were authorised for issue by the Board on 4 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Wentworth Hotel Limited

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Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets less their residual values (the depreciable amount) over their estimated useful lives. The residual values of the company's land and buildings are again considered to be greater than their net book values at the commencement of this period and therefore no depreciation has been charged. The rates of depreciation applied to the depreciable amounts of each category of non-current asset are:

Asset class	Depreciation method and rate
Freehold buildings	2% on the straight line basis
Furniture, fixtures and fittings	2% on the straight line basis
Office equipment	25% on the straight line basis
Motor vehicles	25% on the reducing balance basis
Plant and equipment	15% on the reducing balance basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of food, drink and other goods for resale comprises purchase cost. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Financial instruments

Classification

Financial instruments comprise investments in quoted shares, unit trusts, loan stocks and structured products.

Recognition and measurement

Loan stocks are initially recognised at cost. Quoted shares, unit trusts and structured products are initially recognised at fair value. Quoted shares, unit trusts and structured products are measured at fair value at the reporting date. Fair value is based on quoted market price.

Loan stocks are measured at cost less impairment at the reporting date.

Impairment

Financial assets are reviewed at each reporting date to determine whether there are indications of an impairment in value. If there are such indications, the recoverable amount of the asset is estimated and if it is less than carrying value, an impairment loss is recognised. If the indications of impairment no longer apply in a subsequent accounting period, the amount provided may be credited back to profit and loss.

Current versus non-current classification

The investments held by the company are classified as non-current. It is not anticipated that the company's investments will be realised in the short-term, however, there is still an intention for the funds involved to be utilised in support of the trade.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 43 (2018 - 45).

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation				
At 1 January 2019	1,676,226	1,253,697	71,918	3,001,841
Additions	-	3,650	11,473	15,123
At 31 December 2019	1,676,226	1,257,347	83,391	3,016,964
Depreciation				
At 1 January 2019	451,672	999,801	38,255	1,489,728
Charge for the year	-	27,113	6,768	33,881
At 31 December 2019	451,672	1,026,914	45,023	1,523,609
Carrying amount				
At 31 December 2019	1,224,554	230,433	38,368	1,493,355
At 31 December 2018	1,224,554	253,896	33,663	1,512,113

Included within the net book value of land and buildings above is £1,224,554 (2018 - £1,224,554) in respect of freehold land and buildings.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

5 Investments

	Financial assets at fair value through profit and loss £	Financial assets at amortised cost £	Total £
Non-current financial assets			
Cost or valuation			
At 1 January 2019	4,811,520	979,144	5,790,664
Fair value adjustments	590,894	-	590,894
Additions	784,375	125,780	910,155
Disposals	(743,522)	(163,338)	(906,860)
	5,443,267	941,586	6,384,853
At 31 December 2019	5,443,267	941,586	6,384,853
Impairment			
Carrying amount			
At 31 December 2019	5,443,267	941,586	6,384,853

6 Debtors

	2019 £	2018 £
Trade debtors	8,547	13,934
Prepayments and accrued income	61,313	53,087
Other debtors	-	118,632
	69,860	185,653
	69,860	185,653

Wentworth Hotel Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	9	256,733	224,684
Trade creditors		100,752	75,751
Taxation and social security		216,487	223,102
Other creditors		63,309	61,788
		637,281	585,325

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	21,002	21,002	21,002	21,002
	21,002		21,002	

9 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank overdrafts	9,644	-
Other borrowings	247,089	224,684
	256,733	224,684

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £11,731 (2018 - £14,564). The financial commitments relate to operating lease payments.

11 Financial instruments

Categorisation of financial instruments

	2019 £	2018 £
Financial assets measured at fair value through profit or loss	5,443,267	4,811,520
Financial assets that are debt instruments measured at amortised cost	941,586	979,144

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Financial assets measured at fair value

Shares, unit trusts and structured products

Valued at quoted market price

The fair value is £5,386,657 (2018 - £4,751,195) and the change in value included in profit or loss is £594,714 (2018 - £(243,509)).

Other investments

Valued at open market value by professional valuation

The fair value is £56,610 (2018 - £60,325) and the change in value included in profit or loss is £(3,820) (2018 - £(1,007)).

Derivatives

Structured investment products

Financial instruments include structured investment products with carrying values in the balance sheet totalling £719,361 (2018 - £628,763). The products involved typically provide a defined return over a fixed period which is dependent on the performance of underlying markets with a focus on capital preservation.

12 Non adjusting events after the financial period

The hotel has been closed due to the Coronavirus lockdown. This will obviously have a considerable impact on the 2020 trading results and the crisis has also caused a significant reduction in investment values. Due to its considerable reserves, the company has no liquidity or solvency concerns and the hotel re-opened on 27 August 2020. At this stage it is not possible to fully and accurately assess the financial effects of the crisis.

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.