

Registration number: 02832650

REGISTRAR

Lakeside Collection Limited

Director's Report and Abbreviated Financial Statements

for the Year Ended 31 October 2013



Wilds Ltd
Chartered Accountants and Registered Auditors
Lancaster House
70-76 Blackburn Street
Radcliffe
Manchester
M26 2JW

SD PS

Lakeside Collection Limited
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Lakeside Collection Limited
Company Information

Director	Mr S R Sikorski
Company secretary	Mrs S Sikorski
Registered office	Bolholt Walshaw Bury Lancashire BL8 1PU
Solicitors	Howarth Maitland 18 Silver Street Bury Lancashire BL9 ODJ
Bankers	Barclays Bank Plc 1 Central Street The Rock Bury Lancashire BL9 0JN
Auditors	Wilds Ltd Chartered Accountants and Registered Auditors Lancaster House 70-76 Blackburn Street Radcliffe Manchester M26 2JW

Lakeside Collection Limited
Director's Report for the Year Ended 31 October 2013

The director presents his report and the abbreviated financial statements for the year ended 31 October 2013.

Director of the company

The director who held office during the year was as follows:

Mr S R Sikorski

Principal activity

The principal activity of the company is that of hoteliers.

Business review

Fair review of the business

Although our markets remain challenging the year could be split into 2 parts. The first part lasted until June when trading figures struggled to match the performance of the previous year and the latter part from June onwards where trading figures showed a marked improvement on last years performance showing a 2.3% increase in sales. This is consistent with the optimism which I voiced in last years review. I realise that sales in our industry are related to economic activity acting as an early warning indicator of economic growth, with the main economic indicators reporting similar growth but with a 4 to 5 month time lag. Whilst it would be easy for our management team to take full credit for the improvement, and without in any way discrediting the great work we have all done during the year to increase business, we must not get complacent in our efforts to improve and learn in view of the improving environment. Due to the favourable second half of the year, which showed the public and companies more willing to spend over the 5 month period, I believe that this trend will continue into 2014. Our results for Christmas 2013 are improved and our future wedding/function bookings are reasonable. Bedroom rates and occupancy levels are also showing modest increases. Although the leisure business has flatlined for the year we are encouraged by the increased spend in the other areas of our business and this trend will manifest itself in the seasonal leisure membership rush in January and February.

Our ebitdae has also improved yet this has been mitigated by fees in relation to the continuing high court case which should now be fully resolved by next year. Nevertheless the work that has been done to increase of cost of sales percentages will positively affect our ebitdae as we move into 2014.

Objectives and policies

The Director has overall responsibility for the system of internal controls, including financial, operational, compliance and risk management controls. Internal controls include the organisational structure and the delegation of authority within the company. Such a system can provide only reasonable and not absolute, assurance against material misstatement or loss, and will mitigate, not eliminate, risk. The maintenance of this control system rest with the Director.

Employment of disabled persons

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the companies performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Lakeside Collection Limited
Director's Report for the Year Ended 31 October 2013

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Statement of Director's Responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.


Disclosure of information to the auditors

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

Reappointment of auditors

The auditors Wilds Ltd are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 31 January 2014 and signed on its behalf by:


.....
Mrs S Sikorski
Company secretary

Independent Auditor's Report to Lakeside Collection Limited
Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 5 to 17 together with the financial statements of Lakeside Collection Limited for the year ended 31 October 2013 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.


.....
Lyanne-Michelle Higginbottom FCCA (Senior Statutory Auditor)
For and on behalf of Wilds Ltd, Statutory Auditor

Lancaster House
70-76 Blackburn Street
Radcliffe
Manchester
M26 2JW

31 January 2014

Lakeside Collection Limited
Abbreviated Profit and Loss Account for the Year Ended 31 October 2013

	Note	2013 £	2012 £
Turnover		<u>9,655,614</u>	<u>9,437,716</u>
Gross profit		5,295,691	5,079,675
Administrative expenses		<u>(5,193,279)</u>	<u>(4,814,037)</u>
Operating profit	2	102,412	265,638
Other exceptional items	3	-	(1,121,000)
Interest payable and similar charges	6	<u>(213,464)</u>	<u>(267,837)</u>
Loss on ordinary activities before taxation		(111,052)	(1,123,199)
Tax on loss on ordinary activities	7	<u>-</u>	<u>(22,000)</u>
Loss for the financial year	16	<u>(111,052)</u>	<u>(1,145,199)</u>

Turnover and operating profit derive wholly from continuing operations.

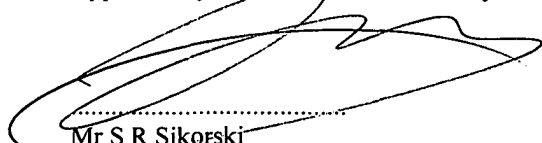
The company has no recognised gains or losses for the year other than the results above.

Lakeside Collection Limited
(Registration number: 02832650)
Abbreviated Balance Sheet at 31 October 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets	8	175,423	252,065
Tangible fixed assets	9	<u>5,270,554</u>	<u>5,527,425</u>
		<u>5,445,977</u>	<u>5,779,490</u>
Current assets			
Stocks	10	99,538	112,812
Debtors	11	648,065	677,938
Investments	12	75	75
Cash at bank and in hand		<u>220,825</u>	<u>321,164</u>
		968,503	1,111,989
Creditors: Amounts falling due within one year	13	<u>(3,518,712)</u>	<u>(3,884,659)</u>
Net current liabilities		<u>(2,550,209)</u>	<u>(2,772,670)</u>
Total assets less current liabilities		2,895,768	3,006,820
Creditors: Amounts falling due after more than one year	14	<u>(4,621,457)</u>	<u>(4,621,457)</u>
Net liabilities		<u>(1,725,689)</u>	<u>(1,614,637)</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account	16	<u>(1,726,689)</u>	<u>(1,615,637)</u>
Shareholders' deficit	17	<u>(1,725,689)</u>	<u>(1,614,637)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to medium-sized companies.

Approved by the director on 31 January 2014


 Mr S R Sikorski
 Director

Lakeside Collection Limited
Cash Flow Statement for the Year Ended 31 October 2013

Reconciliation of operating profit to net cash flow from operating activities

	Note	2013 £	2012 £
Operating profit		102,412	265,638
Depreciation, amortisation and impairment charges		571,967	613,848
Loss on disposal of fixed assets		1,886	6,411
Decrease in stocks		13,274	3,289
Decrease/(increase) in debtors		29,873	(66,979)
(Decrease)/increase in creditors		(298,306)	1,103,690
Cost of fundamental restructuring		-	(1,121,000)
Net cash inflow from operating activities		<u>421,106</u>	<u>804,897</u>

Cash flow statement

	Note	2013 £	2012 £
Net cash inflow from operating activities		<u>421,106</u>	<u>804,897</u>
Returns on investments and servicing of finance			
HP and finance lease interest		(4,607)	(2,598)
Interest paid		<u>(208,857)</u>	<u>(265,239)</u>
		<u>(213,464)</u>	<u>(267,837)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(245,340)	(275,104)
Sale of tangible fixed assets		<u>5,000</u>	<u>20,884</u>
		<u>(240,340)</u>	<u>(254,220)</u>
Net cash (outflow)/inflow before management of liquid resources and financing		<u>(32,698)</u>	<u>282,840</u>
(Decrease)/increase in cash	20	<u>(32,698)</u>	<u>282,840</u>

Lakeside Collection Limited
Cash Flow Statement for the Year Ended 31 October 2013

..... *continued*

Reconciliation of net cash flow to movement in net debt

	Note	2013 £	2012 £
(Decrease)/increase in cash		<u>(32,698)</u>	<u>282,840</u>
Movement in net debt	20	(32,698)	282,840
Net debt at 1 November	20	<u>(4,648,061)</u>	<u>(4,930,901)</u>
Net debt at 31 October	20	<u><u>(4,680,759)</u></u>	<u><u>(4,648,061)</u></u>

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention.

Going concern

The director is aware of the company's financial position and considers preparation of the accounts on a going concern basis appropriate. The company's balance sheet has been adversely affected by a historical rental dispute. The company has the support of its director. Whilst the company has a negative balance sheet this is based on historical cost convention. Had the company adopted a policy of revaluing its properties it would have a positive balance sheet. This is based on professional valuations carried out for the company's bankers during the year. The underlying performance of the company is profitable.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	4% straight line
Fixture and fittings	10% - 25% reducing balance
Motor vehicles	25% reducing balance

Current asset investments

Current asset investments are included at the lower of cost and net realisable value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Costs include any expenditure incurred in bringing the stock to its present location and condition.

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

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Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that a deferred tax asset is only recognised to the extent that it is regarded as recoverable. Deferred tax is measured using the tax rate that is expected to apply in the periods in which the timing differences are expected to reverse.

Hire purchase and leasing

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging:

	2013 £	2012 £
Operating leases - other assets	438,013	184,392
Auditor's remuneration - The audit of the company's annual accounts	12,000	12,000
Loss on sale of tangible fixed assets	1,886	6,411
Depreciation of owned assets	495,325	537,213
Amortisation	<u>76,642</u>	<u>76,635</u>

3 Exceptional items

	2013 £	2012 £
Other exceptional	<u>-</u>	<u>1,121,000</u>

The 2012 item relates to a historical rental dispute.

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

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4 Particulars of employees

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2013 No.	2012 No.
Administration and support	21	21
Production	490	424
Other departments	17	12
	<u>528</u>	<u>457</u>

The aggregate payroll costs were as follows:

	2013 £	2012 £
Wages and salaries	3,571,229	3,457,755
Social security costs	2,541	2,581
Staff pensions	2,737	2,697
	<u>3,576,507</u>	<u>3,463,033</u>

5 Director's remuneration

The director's remuneration for the year was as follows:

	2013 £	2012 £
Remuneration	<u>26,000</u>	<u>26,000</u>

6 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	19,364	23,651
Interest on other loans	180,076	241,588
Other interest payable	9,417	-
Finance charges	4,607	2,598
	<u>213,464</u>	<u>267,837</u>

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... *continued*

7 Taxation

Tax on loss on ordinary activities

	2013 £	2012 £
Deferred tax		
Origination and reversal of timing differences	-	22,000

8 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 November 2012	856,337	856,337
At 31 October 2013	856,337	856,337
Amortisation		
At 1 November 2012	604,272	604,272
Charge for the year	76,642	76,642
At 31 October 2013	680,914	680,914
Net book value		
At 31 October 2013	175,423	175,423
At 31 October 2012	252,065	252,065

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... *continued*

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 November 2012	5,940,332	3,927,949	118,997	9,987,278
Additions	104,955	127,982	12,402	245,339
Disposals	-	-	(32,185)	(32,185)
At 31 October 2013	<u>6,045,287</u>	<u>4,055,931</u>	<u>99,214</u>	<u>10,200,432</u>
Depreciation				
At 1 November 2012	1,420,998	2,979,675	59,180	4,459,853
Charge for the year	239,229	239,426	16,669	495,324
Eliminated on disposals	-	-	(25,299)	(25,299)
At 31 October 2013	<u>1,660,227</u>	<u>3,219,101</u>	<u>50,550</u>	<u>4,929,878</u>
Net book value				
At 31 October 2013	<u>4,385,060</u>	<u>836,830</u>	<u>48,664</u>	<u>5,270,554</u>
At 31 October 2012	<u>4,519,334</u>	<u>948,274</u>	<u>59,817</u>	<u>5,527,425</u>

The company has granted charges on some fixed assets to secure the bank overdrafts and loans as described in the creditors note.

10 Stocks

	2013 £	2012 £
Raw materials	<u>99,538</u>	<u>112,812</u>

11 Debtors

	2013 £	2012 £
Trade debtors	347,410	290,296
Other debtors	1,344	3,679
Prepayments and accrued income	<u>299,311</u>	<u>383,963</u>
	<u>648,065</u>	<u>677,938</u>

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... continued

12 Current asset investments

	2013 £	2012 £
Other investments	<u>75</u>	<u>75</u>

Listed investments

Investments having a net book value of £75 (31 October 2012 - £75) are listed on a recognised stock exchange and had a market value of £90 at the end of the year (31 October 2012 - £45).

13 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	1,396,496	1,215,155
Bank loans and overdrafts	280,127	347,768
Other taxes and social security	439,018	410,796
Other creditors	123,002	164,505
Directors' current accounts	838,073	382,782
Accruals and deferred income	<u>441,996</u>	<u>1,363,653</u>
	<u>3,518,712</u>	<u>3,884,659</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	2013 £	2012 £
Bank loans and overdrafts	<u>280,127</u>	<u>347,768</u>

The company has granted charges on the assets at Park Hall Hotel, Chorley and The Oaks Hotel, Burnley, to secure the bank overdrafts and loans.

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... continued

14 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Bank loans and overdrafts	<u>4,621,457</u>	<u>4,621,457</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company:

	2013 £	2012 £
Bank loans and overdrafts	<u>4,621,457</u>	<u>4,621,457</u>

The company has granted charges on the assets at Park Hall Hotel, Chorley and The Oaks Hotel, Burnley, to secure the bank overdrafts and loans.

15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

16 Reserves

	Profit and loss account £	Total £
At 1 November 2012	(1,615,637)	(1,615,637)
Loss for the year	<u>(111,052)</u>	<u>(111,052)</u>
At 31 October 2013	<u>(1,726,689)</u>	<u>(1,726,689)</u>

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... *continued*

17 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Loss attributable to the members of the company	(111,052)	(1,145,199)
Net reduction to shareholders' funds	(111,052)	(1,145,199)
Shareholders' deficit at 1 November	(1,614,637)	(469,438)
Shareholders' deficit at 31 October	<u>(1,725,689)</u>	<u>(1,614,637)</u>

18 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £2,737 (2012 - £2,697).

19 Contingent liabilities

The company currently has an ongoing legal case. All expenses relating to the case have been expensed to the profit and loss as and when they occur.

20 Analysis of net debt

	At 1 November 2012 £	Cash flow £	At 31 October 2013 £
Cash at bank and in hand	321,164	(100,339)	220,825
Bank overdraft	(347,768)	67,641	(280,127)
	<u>(26,604)</u>	<u>(32,698)</u>	<u>(59,302)</u>
Debt due after more than one year	(4,621,457)	-	(4,621,457)
Net debt	<u>(4,648,061)</u>	<u>(32,698)</u>	<u>(4,680,759)</u>

Lakeside Collection Limited

Notes to the Financial Statements for the Year Ended 31 October 2013

..... continued

21 Related party transactions

The company was under the control of Mr S R Sikorski throughout the current and previous year.

Bolholt Residential Club Limited was identified as a related party by virtue of common directorship and shareholding of Mr S R Sikorski. It receives rent and leasing charges from the company.

Bolholt Hotel RDBS Pension Fund was identified as a related party by virtue of common beneficiaries.

Transactions and balances with Bolholt Residential Club Limited and Bolholt Hotel RDBS Pension Fund for the year are set out below.

	2013	2012
Rent paid	197,203	-
Sale of vehicle to Mr S R Sikorski close family member	5,000	
Bolholt Hotel RDBS debtor	1,344	1,344
Bolholt Hotel RDBS creditor	2,915	2,915
Bolholt Residential Club Limited creditor	653	47,785

22 Control

The company is controlled by Mr S R Sikorski.