

Company registration number 06687742 (England and Wales)

THE STIRK HOUSE HOTEL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

THE STIRK HOUSE HOTEL LIMITED

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THE STIRK HOUSE HOTEL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	3	977,102	1,109,139
Current assets			
Stocks		34,495	34,856
Debtors	4	24,231	75,845
Cash at bank and in hand		167,406	130,482
		<u>226,132</u>	<u>241,183</u>
Creditors: amounts falling due within one year	5	<u>(1,751,573)</u>	<u>(2,011,612)</u>
Net current liabilities		<u>(1,525,441)</u>	<u>(1,770,429)</u>
Total assets less current liabilities		<u>(548,339)</u>	<u>(661,290)</u>
Creditors: amounts falling due after more than one year	6	(8,791)	(93,541)
Net liabilities		<u>(557,130)</u>	<u>(754,831)</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss reserves		<u>(557,230)</u>	<u>(754,931)</u>
Total equity		<u>(557,130)</u>	<u>(754,831)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

THE STIRK HOUSE HOTEL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The financial statements were approved by the board of directors and authorised for issue on 25 September 2023 and are signed on its behalf by:

Mrs H E Kay
Director

Company Registration No. 06687742

THE STIRK HOUSE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

The Stirk House Hotel Limited is a private company limited by shares incorporated in England and Wales. The registered office is Stirk House Hotel, Gisburn Road, Gisburn, Clitheroe, Lancashire, BB7 4LJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is reliant upon the financial support of its parent company in order to meet its liabilities as they fall due. The directors have indicated that this support will continue for the foreseeable future and, as a result, have continued to prepare the financial statements on a going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE STIRK HOUSE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The company's liability for deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date

THE STIRK HOUSE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

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

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	57	49

THE STIRK HOUSE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2022	2,198,287
Additions	31,338
	<hr/>
At 31 March 2023	2,229,625
	<hr/>
Depreciation and impairment	
At 1 April 2022	1,089,148
Depreciation charged in the year	163,375
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At 31 March 2023	1,252,523
	<hr/>
Carrying amount	
At 31 March 2023	977,102
	<hr/>
At 31 March 2022	1,109,139
	<hr/>

4 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	24,231	75,845
	<hr/>	<hr/>

Other debtors include £nil (2022 - £75,821) in respect of advances made by the company to its directors.

5 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	-	16,667
Obligations under finance leases	1,416	1,416
Other borrowings	704,651	963,951
Trade creditors	151,841	129,494
Taxation and social security	106,111	83,918
Other creditors	-	2,555
Accruals and deferred income	787,554	813,611
	<hr/>	<hr/>
	1,751,573	2,011,612
	<hr/>	<hr/>

Other borrowings represent £704,651 (2022 - £963,951) owed to the parent company.

THE STIRK HOUSE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts		-	83,333
Obligations under finance leases		8,791	10,208
		<u>8,791</u>	<u>93,541</u>

The company's bank borrowings are secured by charges over the company's assets.

Obligations under finance leases are secured on the assets to which they relate.

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	3,334
	<u>-</u>	<u>3,334</u>

7 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and not fully paid				
Ordinary A shares of £1 each	76	76	76	76
Ordinary B shares of £1 each	24	24	24	24
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8 Financial commitments, guarantees and contingent liabilities

The company is a party to a cross guarantee in respect of the bank borrowings of its parent company. The amount owed by the parent at 31 March 2023 was £1,668,753 (2022 - £1,720,367).

9 Illegal dividends

Dividends have been paid in previous periods in excess of distributable profits in contravention of section 830 of the Companies Act 2006. The shareholders have acknowledged that such distributions may be repayable to the company on a winding up.

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.