

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
FOR
THE HOTEL GROUP LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2022**

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THE HOTEL GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS: A.A. Michaelides
A Michaelides
M.M. Michaelides

SECRETARY: J.M. O'Keefe

REGISTERED OFFICE: Global House
303 Ballards Lane
London
N12 8NP

REGISTERED NUMBER: 03801629 (England and Wales)

ACCOUNTANTS: K J Pittalis and Partners LLP
Chartered Certified Accountants
Global House
303 Ballards Lane
London
N12 8NP

STATEMENT OF FINANCIAL POSITION
30 JUNE 2022

	Notes	30/6/22 £	£	30/6/21 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		613,604		609,820
Investments	7		8,500,000		8,500,000
			<u>9,113,604</u>		<u>9,109,820</u>
CURRENT ASSETS					
Debtors	8	40,128		205,066	
Cash at bank		<u>606,482</u>		<u>2,773</u>	
		<u>646,610</u>		<u>207,839</u>	
CREDITORS					
Amounts falling due within one year	9	<u>428,602</u>		<u>76,417</u>	
NET CURRENT ASSETS			<u>218,008</u>		<u>131,422</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,331,612</u>		<u>9,241,242</u>
PROVISIONS FOR LIABILITIES	10	<u>1,619,300</u>		<u>1,619,866</u>	
NET ASSETS			<u><u>7,712,312</u></u>		<u><u>7,621,376</u></u>
CAPITAL AND RESERVES					
Called up share capital		400,000		400,000	
Share premium		36,176		36,176	
Other reserves		6,451,059		6,451,059	
Retained earnings		<u>825,077</u>		<u>734,141</u>	
		<u><u>7,712,312</u></u>		<u><u>7,621,376</u></u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
30 JUNE 2022

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 25 October 2022 and were signed on its behalf by:

A Michaelides - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. STATUTORY INFORMATION

The Hotel Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The financial statements contain information about The Hotel Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Revenue recognition

Revenue is measured at the fair value of services provided net of VAT. Revenue for the provision of services is recognised when the services are provided to the customer.

Goodwill

Goodwill was amortised evenly over its estimated useful life of 20 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	-	Straight line over 50 years
Fixtures and fittings	-	15% on reducing balance
Computer equipment	-	25% on reducing balance

Land and building held and used in the Company's own activities for production and supply of goods or for administration purposes are stated in the statement of financial position at their revalued amounts. Revaluations are carried out regularly so that the carrying amounts do not materially differ from using the fair value at the date of the statement of financial position.

Any revaluation increase or decrease on land and buildings is credited to the property revaluation reserve.

Depreciation on cost of buildings is charged to profit and loss. Depreciation on the revaluation amount on buildings is charged to the revaluation reserve, so as to write off their value less residual value, over their estimated useful life, using the straight line method.

Once the property is sold or retired any attributable revaluation surplus that is remaining in the property revaluation reserve is transferred to retained earnings. No transfer is made from the revaluation reserve to retained earnings unless an asset is derecognised.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at fair value.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 10 (2021 - 17) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

5. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 July 2021
and 30 June 2022

74,999

AMORTISATION

At 1 July 2021
and 30 June 2022

74,999

NET BOOK VALUE

At 30 June 2022

-

At 30 June 2021

-

Goodwill relates to the acquisition of the hotels from the subsidiary companies and was written off over 20 years which at the time represented the expected life of the assets.

The business continues to operate from those premises.

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2021	581,130	232,593	17,052	830,775
Additions	<u>11,080</u>	<u>1,865</u>	<u>309</u>	<u>13,254</u>
At 30 June 2022	<u>592,210</u>	<u>234,458</u>	<u>17,361</u>	<u>844,029</u>
DEPRECIATION				
At 1 July 2021	12,826	194,286	13,843	220,955
Charge for year	<u>2,565</u>	<u>6,026</u>	<u>879</u>	<u>9,470</u>
At 30 June 2022	<u>15,391</u>	<u>200,312</u>	<u>14,722</u>	<u>230,425</u>
NET BOOK VALUE				
At 30 June 2022	<u>576,819</u>	<u>34,146</u>	<u>2,639</u>	<u>613,604</u>
At 30 June 2021	<u>568,304</u>	<u>38,307</u>	<u>3,209</u>	<u>609,820</u>

The amounts included for long leasehold represents improvements carried out on the hotel premises, owned by the subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

7. **FIXED ASSET INVESTMENTS**

	Shares in group undertakin £
COST OR VALUATION	
At 1 July 2021	
and 30 June 2022	8,500,000
NET BOOK VALUE	
At 30 June 2022	8,500,000
At 30 June 2021	8,500,000

Cost or valuation at 30 June 2022 is represented by:

	Shares in group undertakin £
Valuation in 2016	1,300,000
Valuation in 2012	6,763,824
Cost	436,176
	8,500,000

The company owns 100% of the share capital of A. A. Michaelides Limited and Margariets Limited. These are both dormant subsidiary companies which own some of the freehold properties from which the company trades.

As at the balance sheet date the directors believe the value freehold properties are an accurate representation of the current market value. The valuation was based on a comparison with other hotel properties in the area and has been based on the lower end of market values.

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/6/22	30/6/21
	£	£
Amounts owed by connected companies	14,480	147,372
Other debtors	25,648	57,694
	40,128	205,066

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/6/22	30/6/21
	£	£
Bank loans and overdrafts	2,388	14,182
Trade creditors	58,303	15,372
Amounts owed by connected companies	234,479	-
Taxation and social security	61,303	1,684
Other creditors	72,129	45,179
	428,602	76,417

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

10. PROVISIONS FOR LIABILITIES

	30/6/22	30/6/21
	£	£
Deferred tax		
Accelerated capital allowances	6,535	7,101
Deferred tax	<u>1,612,765</u>	<u>1,612,765</u>
	<u>1,619,300</u>	<u>1,619,866</u>
		Deferred tax
		£
Balance at 1 July 2021		1,619,866
Provided during year		(566)
Balance at 30 June 2022		<u>1,619,300</u>

11. RELATED PARTY DISCLOSURES

Creditors includes an amount of £234,479 (June 2021: £132,892 [Debtor]) owed to A. A. Michaelides (Brook Green) Limited,

Debtors includes an amount of £16,920 (June 2021 - £15,541) due from M&J Limited, £8,728 (June 2021 - £8,728) from Juan Limited, companies under the common control of the shareholders.

12. POST BALANCE SHEET EVENTS

The COVID-19 pandemic has developed rapidly throughout 2020 and 2021. The outbreak of the coronavirus disease has led the world economy into an unprecedented health care crisis and caused considerable global disruption in business activities and everyday life.

In its effort to contain and limit the spread of Covid 19, the U.K. like most countries in the world, imposed strict measures including travel restrictions, strict quarantine and suspension of normal business operations.

The resulting impact of the virus on the operations and measures taken by various governments to contain the virus have negatively affected the company's results in the reporting period.

At this stage, the full impact of the current crisis on global economy and overall business activities cannot be estimated with reasonable certainty.

Despite the impact of COVID-19 management has determined that the actions that it has taken are sufficient to mitigate the uncertainty, management have proactively obtained financial assistance and have therefore prepared the financial reporting on a going concern basis.