

REGISTERED NUMBER: 01853685 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
FOR
TYLNEY HALL HOTEL LIMITED**

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for the Year Ended 31 March 2019**

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**COMPANY INFORMATION
for the Year Ended 31 March 2019**

DIRECTORS: G C Bateman
S J Willis
R S Callaghan

SECRETARY: R S Callaghan

REGISTERED OFFICE: Ashdown Park
Wych Cross
Forest Row
East Sussex
RH18 5RJ

REGISTERED NUMBER: 01853685 (England and Wales)

AUDITORS: Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

**STRATEGIC REPORT
for the Year Ended 31 March 2019**

The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS

The hotel continues to operate in the luxury hotel market always aiming to deliver distinctly memorable experiences. The directors view the hotel performance as reasonable for the year ended 31 March 2019. Sales for the year ended 31 March 2019 were £6,751,486 (2018: £6,603,449). Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) were £430,190 (2018: £512,324).

KEY PERFORMANCE INDICATORS

The company's main key performance indicators are EBITDA and Turnover which are monitored monthly by the directors. Interest Cover and Loan to value are also evaluated in line with bank covenants.

PRINCIPAL RISKS AND UNCERTAINTIES

Market and Competition risk - The company is exposed to normal market and economic risks and manages competition by concentrating on its strengths and maintaining its established luxury brand with the focus on guest experience.

Financial risk - The company is exposed to interest rate rises, however the directors have fully considered financial risk and are extremely confident these will not threaten the company's going concern.

Regulatory risk - The company minimises regulatory risk by training key personnel and appointing external experts where appropriate, to assess any potential non compliance. Health and safety, hygiene and accounting are examples of externally audited areas.

PEOPLE

Elite Hotels group understand and appreciate the vital role its employees play in the current and future success of the business. To encourage employee development the group continues to operate and enhance its training and development programmes and remains an active member of Investors in People. Employees are kept informed on a wide range of matters including the future strategy of company.

CORPORATE SOCIAL RESPONSIBILITY

Elite Hotels group places great importance on its Corporate Social Responsibility. Each hotel aims to ensure that they are a key player within the heart of respective local communities, values passed down by its ultimate parent, The Incorporated Trustees of the Rotherwick Foundation, a UK registered charity.

ENVIRONMENTAL

Elite Hotels group continue to actively monitor energy consumption and has again decreased the amount reported as part of the carbon reduction commitment scheme by 12%. The group has embraced the Energy Saving Opportunities Scheme and will use the findings to enhance its future energy management strategy.

FUTURE DEVELOPMENTS

The directors' strategy remains to continue investment in refurbishing, upgrading and developing the hotel facilities to enhance guest experience and increase return on investment.

**STRATEGIC REPORT
for the Year Ended 31 March 2019**

COMPLIANCE WITH MODERN SLAVERY ACT

Following the enactment of the Modern Slavery Act in October 2015 the company has reviewed its procurement and human rights practices and those of its supply chain in light of this act. Elite Hotels (Rotherwick) Limited's suppliers are UK based entities and, having reviewed the requirements of the Modern Slavery Act, it has taken action to comply with the regulations. Elite Hotels group does not support forced and compulsory labour or the exploitation of children.

ON BEHALF OF THE BOARD:

G C Bateman - Director

23 September 2019

**REPORT OF THE DIRECTORS
for the Year Ended 31 March 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

G C Bateman
S J Willis
R S Callaghan

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the 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.

AUDITORS

The auditors, Oury Clark Chartered Accountants, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

G C Bateman - Director

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TYLNEY HALL HOTEL LIMITED

Opinion

We have audited the financial statements of Tylney Hall Hotel Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TYLNEY HALL HOTEL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Derrick Smith (Senior Statutory Auditor)
for and on behalf of Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough

**INCOME STATEMENT
for the Year Ended 31 March 2019**

	Notes	31.3.19 £	31.3.18 £
TURNOVER	3	6,751,486	6,603,449
Cost of sales		<u>3,279,995</u>	<u>3,219,823</u>
GROSS PROFIT		3,471,491	3,383,626
Administrative and overhead expenses		<u>3,337,179</u>	<u>3,124,009</u>
OPERATING PROFIT	6	134,312	259,617
Interest payable and similar expenses	7	<u>8,995</u>	<u>7,455</u>
PROFIT BEFORE TAXATION		125,317	252,162
Tax on profit	8	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>125,317</u></u>	<u><u>252,162</u></u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
for the Year Ended 31 March 2019**

	31.3.19 £	31.3.18 £
Notes		
PROFIT FOR THE YEAR	125,317	252,162
OTHER COMPREHENSIVE INCOME		
Release of deferred tax on revaluation	-	1,135,742
Transfer to Unrealised revenue reserve	-	(1,135,742)
Income tax relating to components of other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>125,317</u></u>	<u><u>252,162</u></u>

The notes form part of these financial statements

**BALANCE SHEET
31 March 2019**

	Notes	31.3.19 £	£	31.3.18 £	£
FIXED ASSETS					
Tangible assets	10		17,055,534		16,845,652
CURRENT ASSETS					
Stocks	11	80,730		80,034	
Debtors	12	241,628		208,956	
Cash at bank and in hand		<u>251,897</u>		<u>65,850</u>	
		574,255		354,840	
CREDITORS					
Amounts falling due within one year	13	<u>1,172,503</u>		<u>1,023,826</u>	
NET CURRENT LIABILITIES			<u>(598,248)</u>		<u>(668,986)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			16,457,286		16,176,666
CREDITORS					
Amounts falling due after more than one year	14		<u>356,671</u>		<u>201,368</u>
NET ASSETS			<u><u>16,100,615</u></u>		<u><u>15,975,298</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		1,000		1,000
Share premium	18		6,999,100		6,999,100
Unrealised revenue reserve	18		6,680,837		6,680,837
Retained earnings	18		<u>2,419,678</u>		<u>2,294,361</u>
SHAREHOLDERS' FUNDS			<u><u>16,100,615</u></u>		<u><u>15,975,298</u></u>

The financial statements were approved by the Board of Directors on 23 September 2019 and were signed on its behalf by:

G C Bateman - Director

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2019**

	Called up share capital £	Retained earnings £	Share premium £	Unrealised revenue reserve £	Total equity £
Balance at 1 April 2017	1,000	2,042,199	6,999,100	5,545,095	14,587,394
Changes in equity					
Total comprehensive income	-	252,162	-	1,135,742	1,387,904
Balance at 31 March 2018	<u>1,000</u>	<u>2,294,361</u>	<u>6,999,100</u>	<u>6,680,837</u>	<u>15,975,298</u>
Changes in equity					
Total comprehensive income	-	125,317	-	-	125,317
Balance at 31 March 2019	<u>1,000</u>	<u>2,419,678</u>	<u>6,999,100</u>	<u>6,680,837</u>	<u>16,100,615</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2019**

1. STATUTORY INFORMATION

Tylney Hall Hotel 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 company's trading address is Rotherwick, Hook, Hampshire RG27 9AZ.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period in excess of twelve months and 1 day from the date the audit report was approved. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Turnover

Turnover represents income from hotel and restaurant operations, excluding value added tax and is recognised on provision of the related service.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant & machinery	- 5% on cost
Fixtures, fittings & equipment	- Straight line between 3 and 8 years
Motor vehicles	- 30% on reducing balance

Following the adoption of FRS102 the directors have adopted the cost model for tangible fixed assets.

Depreciation is provided on freehold land and buildings at 0% per annum on the basis that the hotel is an historical building, hence the useful economic life cannot be reasonably estimated. Additionally the directors' opinion is that the valuation of the property is higher than the book value and given the type of building depreciation. This is in accordance with accounting standard FRS 102. The directors have considered the value of the property, in light of the recent valuation, and do not believe any impairment to the value included in the financial statements is necessary.

The directors deem that fixtures and fittings are disposed of after eight years and so at the end of this period a disposal is included to remove the accumulated cost and depreciation from the financial statements continued...

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

Financial instruments

Basic Financial Instruments as covered by Section 11 of FRS 102 are measured at amortised cost. The company does not have any Other Financial Instruments as covered by Section 12 of FRS 102.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.3.19	31.3.18
	£	£
Accommodation	2,807,997	2,785,661
Food & beverages	3,142,615	3,079,110
Non-bedroom room hire	377,722	326,976
Leisure & spa	423,152	411,702
	<u>6,751,486</u>	<u>6,603,449</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019**

4. EMPLOYEES AND DIRECTORS

	31.3.19	31.3.18
	£	£
Wages and salaries	2,674,290	2,546,173
Social security costs	193,639	183,288
Other pension costs	47,266	39,717
	<u>2,915,195</u>	<u>2,769,178</u>

The average number of employees during the year was as follows:

	31.3.19	31.3.18
Hotel services and catering staff	139	133
Management and administration	<u>24</u>	<u>23</u>
	<u>163</u>	<u>156</u>

5. DIRECTORS' EMOLUMENTS

	31.3.19	31.3.18
	£	£
Directors' remuneration	<u>-</u>	<u>6,000</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.19	31.3.18
	£	£
Hire of plant and machinery	9,666	6,405
Other operating leases	16,586	15,966
Depreciation - owned assets	287,049	249,577
Depreciation - assets on hire purchase contracts	8,827	3,131
Profit on disposal of fixed assets	(120)	-
Auditors' remuneration	20,300	20,000
Direct operating expenses	<u>1,273,339</u>	<u>1,281,806</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.19	31.3.18
	£	£
Intercompany loan interest	<u>8,995</u>	<u>7,455</u>

8. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2019 nor for the year ended 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019

8. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.19	31.3.18
	£	£
Profit before tax	<u>125,317</u>	<u>252,162</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	23,810	47,911
Effects of:		
Expenses not deductible for tax purposes	767	(967)
Capital allowances in excess of depreciation	(30,394)	(9,892)
Losses carried forward	5,817	-
Group relief	-	(37,052)
Total tax charge	<u>-</u>	<u>-</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2019.

		31.3.18	
	Gross	Tax	Net
	£	£	£
Release of deferred tax on revaluation	1,135,742	-	1,135,742
Transfer to Unrealised revenue reserve	<u>(1,135,742)</u>	<u>-</u>	<u>(1,135,742)</u>
	<u>-</u>	<u>-</u>	<u>-</u>

9. PRIOR YEAR ADJUSTMENT

Deferred tax had previously been provided on revalued hotels which is not relevant under current legislation if the hotels were sold at the revalued figure.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019

10. TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Plant & machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST					
At 1 April 2018	15,750,013	436,669	1,489,717	102,147	17,778,546
Additions	1,839	45,549	437,049	21,321	505,758
Disposals	-	-	(136,724)	-	(136,724)
At 31 March 2019	<u>15,751,852</u>	<u>482,218</u>	<u>1,790,042</u>	<u>123,468</u>	<u>18,147,580</u>
DEPRECIATION					
At 1 April 2018	-	112,813	724,265	95,816	932,894
Charge for year	-	24,110	263,471	8,295	295,876
Eliminated on disposal	-	-	(136,724)	-	(136,724)
At 31 March 2019	<u>-</u>	<u>136,923</u>	<u>851,012</u>	<u>104,111</u>	<u>1,092,046</u>
NET BOOK VALUE					
At 31 March 2019	<u>15,751,852</u>	<u>345,295</u>	<u>939,030</u>	<u>19,357</u>	<u>17,055,534</u>
At 31 March 2018	<u>15,750,013</u>	<u>323,856</u>	<u>765,452</u>	<u>6,331</u>	<u>16,845,652</u>

The freehold land & buildings together with the fixtures, fittings & equipment were revalued on an open market basis at £17,800,000 in July 2018 by Christie & Co, Chartered Surveyors. The freehold land & building are held at deemed cost, following the adoption of FRS102 in 2016. In the opinion of the directors, as the open market value exceeds this deemed cost, no impairment of freehold land & buildings is necessary.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures, fittings & equipment £
COST	
At 1 April 2018	31,309
Additions	<u>28,481</u>
At 31 March 2019	<u>59,790</u>
DEPRECIATION	
At 1 April 2018	9,393
Charge for year	<u>8,827</u>
At 31 March 2019	<u>18,220</u>
NET BOOK VALUE	
At 31 March 2019	<u>41,570</u>
At 31 March 2018	<u>21,916</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019**

11.	STOCKS	31.3.19	31.3.18
		£	£
	Goods for resale and raw materials	<u>80,730</u>	<u>80,034</u>
12.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.19	31.3.18
		£	£
	Trade debtors	117,787	125,042
	VAT	17,491	2,639
	Prepayments and accrued income	<u>106,350</u>	<u>81,275</u>
		<u>241,628</u>	<u>208,956</u>
	<p>A potential deferred tax asset of £64,394 (2018: £85,363) relating to unutilised trading losses and temporary timing differences has not been recognised as Tylney Hall Hotel Limited is not expected to generate a taxable profit in the foreseeable future.</p>		
13.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.19	31.3.18
		£	£
	Hire purchase contracts (see note 15)	18,058	8,614
	Trade creditors	362,534	359,716
	Social security and other taxes	46,004	41,347
	Other creditors	614,244	492,775
	Accrued expenses	<u>131,663</u>	<u>121,374</u>
		<u>1,172,503</u>	<u>1,023,826</u>
14.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.3.19	31.3.18
		£	£
	Hire purchase contracts (see note 15)	17,457	10,467
	Amounts owed to group undertakings	<u>339,214</u>	<u>190,901</u>
		<u>356,671</u>	<u>201,368</u>
15.	LEASING AGREEMENTS		
	Minimum lease payments under hire purchase fall due as follows:		
		31.3.19	31.3.18
		£	£
	Net obligations repayable:		
	Within one year	18,058	8,614
	Between one and five years	<u>17,457</u>	<u>10,467</u>
		<u>35,515</u>	<u>19,081</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2019**

16. SECURED DEBTS

There is a first legal charge over the freehold property known as Tylney Hall Hotel and a fixed charge over the book debts of the company in favour of HSBC Bank Plc. In addition the bank has a floating charge over the remainder of the company's assets.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.19	31.3.18
		£1	£	£
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>

The Ordinary shares have full rights to vote in any circumstances, and to receive dividends and capital distributions, whether on winding up or otherwise. The shares are not redeemable.

18. RESERVES

	Retained earnings	Share premium	Unrealised revenue reserve	Totals
	£	£	£	£
At 1 April 2018	2,294,361	6,999,100	6,680,837	15,974,298
Profit for the year	125,317			125,317
At 31 March 2019	<u>2,419,678</u>	<u>6,999,100</u>	<u>6,680,837</u>	<u>16,099,615</u>

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme.

The total contributions for the year ended 31 March 2019 were £47,266 (2018: £39,717). At 31 March 2019 there were outstanding contributions of £23,624 (2018: £19,585) included within other creditors.

20. CONTINGENT LIABILITIES

The company's bankers, HSBC Bank Plc. hold unlimited cross guarantees between Tylney Hall Hotel Limited, Elite Hotels (Rotherwick) Limited and its wholly owned subsidiaries. At the balance sheet date the amount jointly guaranteed by the company was £52,750,000 (2018: £51,750,000). The directors believe that the guarantee will not be called upon, and accordingly no provision has been recognised.

21. IMMEDIATE PARENT COMPANY

The immediate parent company is Elite Hotels (Rotherwick) Limited, a company incorporated in England.

22. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is the Incorporated Trustees of the Rotherwick Foundation, a UK registered charity.

23. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.