

REGISTERED NUMBER: 02156621 (England and Wales)

Abbreviated Accounts
for the Year Ended 30 September 2012
for
Thornton Hall Hotel Limited

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Contents of the Abbreviated Accounts
for the Year Ended 30 September 2012

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Accounts	10

Thornton Hall Hotel Limited

Company Information
for the Year Ended 30 September 2012

DIRECTORS:

A L Thompson
Mrs N Thompson
P L Webster

SECRETARY:

A L Thompson

REGISTERED OFFICE:

Thornton Hall Hotel
Neston Road
Thornton Hough
Wirral
Merseyside
CH63 1JF

REGISTERED NUMBER:

02156621 (England and Wales)

AUDITORS:

McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

Thornton Hall Hotel Limited (Registered number 02156621)

Report of the Directors
for the Year Ended 30 September 2012

The directors present their report with the accounts of the company for the year ended 30 September 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of hoteliers and restaurateurs

REVIEW OF BUSINESS

It has been another challenging year for the company. Turnover has increased slightly though from £3.35m in 2011 to £3.56m in 2012, an increase of 6%. The directors have reduced the gross profit percentage to improve the turnover.

The overhead expenditure has slightly increased from £1.53m in 2011 to £1.64m in 2012. This is mainly due to high levels of repair work during the year.

The cash balance at the year end has reduced from last year's balance, with the overdraft being used to clear the bank loans.

The directors have assessed what they consider to be the major risks that the company faces and are satisfied that adequate systems are in place to mitigate those risks. This assessment covered the normal risk areas expected for a company of this size and nature, including market competition and staffing. The directors consider that the company is well placed to meet the challenges ahead and trade more profitably.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2012.

FIXED ASSETS

The hotel, excluding the additional bedroom suite and conference suite, is included in the balance sheet at £726,403. To keep in line with the company's accounting policies, this amount has not been professionally revalued. We are, however, confident that the market value is significantly in excess of the current net book value.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2011 to the date of this report.

A L Thompson
Mrs N Thompson
P L Webster

Report of the Directors
for the Year Ended 30 September 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McEwan Wallace, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A L Thompson - Director

31 May 2013

Report of the Independent Auditors to
Thornton Hall Hotel Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages five to eighteen, together with the full financial statements of Thornton Hall Hotel Limited for the year ended 30 September 2012 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

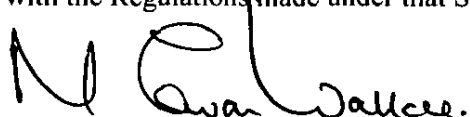
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated 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 to be delivered 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.



Alastair Gould ACA (Senior Statutory Auditor)
for and on behalf of McEwan Wallace
Chartered Accountants
Statutory Auditor
68 Argyle Street
Birkenhead
CH41 6AF

31 May 2013

Thornton Hall Hotel Limited (Registered number 02156621)

Abbreviated Profit and Loss Account
for the Year Ended 30 September 2012

	Notes	30 9 12 £	30 9 11 £
TURNOVER		3,557,097	3,350,810
Cost of sales and other operating income		(1,799,927)	(1,702,810)
		1,757,170	1,648,000
Administrative expenses		1,638,980	1,532,582
OPERATING PROFIT	3	118,190	115,418
Interest payable and similar charges	4	80,463	87,034
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		37,727	28,384
Tax on profit on ordinary activities	5	21,899	17,776
PROFIT FOR THE FINANCIAL YEAR		15,828	10,608

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these abbreviated accounts

Thornton Hall Hotel Limited (Registered number 02156621)

Abbreviated Balance Sheet

30 September 2012

	Notes	30.9.12 £	30.9.11 £
FIXED ASSETS			
Tangible assets	6	3,131,951	3,228,132
CURRENT ASSETS			
Stocks	7	75,130	61,853
Debtors	8	166,266	191,358
Cash at bank and in hand		13,189	13,036
		254,585	266,247
CREDITORS			
Amounts falling due within one year	9	1,497,608	1,514,618
NET CURRENT LIABILITIES		(1,243,023)	(1,248,371)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,888,928	1,979,761
CREDITORS			
Amounts falling due after more than one year	10	(1,062,554)	(1,174,515)
PROVISIONS FOR LIABILITIES	14	(167,116)	(161,816)
NET ASSETS		659,258	643,430
CAPITAL AND RESERVES			
Called up share capital	15	2	2
Profit and loss account	16	659,256	643,428
SHAREHOLDERS' FUNDS	20	659,258	643,430

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 31 May 2013 and were signed on its behalf by



A L Thompson - Director

The notes form part of these abbreviated accounts

Thornton Hall Hotel Limited (Registered number 02156621)

**Cash Flow Statement
for the Year Ended 30 September 2012**

	Notes	30 9 12 £	£	30 9 11 £	£
Net cash inflow from operating activities	1		212,274		515,378
Returns on investments and servicing of finance	2		(80,463)		(87,034)
Taxation			(3,877)		(37,754)
Capital expenditure	2		(118,955)		(230,948)
			8,979		159,642
Financing	2		(107,550)		(60,383)
(Decrease)/increase in cash in the period			(98,571)		99,259
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period			(98,571)		99,259
Cash outflow from decrease in debt and lease financing			107,550		60,383
Change in net debt resulting from cash flows			8,979		159,642
Movement in net debt in the period			8,979		159,642
Net debt at 1 October			(1,355,654)		(1,515,296)
Net debt at 30 September			(1,346,675)		(1,355,654)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 30 September 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 9 12	30 9 11
	£	£
Operating profit	118,190	115,418
Depreciation charges	214,931	216,461
Loss on disposal of fixed assets	205	113
(Increase)/Decrease in intergroup loans	(115,019)	185,189
(Increase)/decrease in stocks	(13,277)	13,833
Decrease/(increase) in debtors	25,092	(46,165)
(Decrease)/increase in creditors	(17,848)	30,529
	<u>212,274</u>	<u>515,378</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30 9 12	30 9 11
	£	£
Returns on investments and servicing of finance		
Interest paid	(77,971)	(83,923)
Interest element of hire purchase payments	(2,492)	(3,111)
	<u>(80,463)</u>	<u>(87,034)</u>
Net cash outflow for returns on investments and servicing of finance		
	<u>(80,463)</u>	<u>(87,034)</u>
Capital expenditure		
Purchase of tangible fixed assets	(118,955)	(230,948)
	<u>(118,955)</u>	<u>(230,948)</u>
Net cash outflow for capital expenditure		
	<u>(118,955)</u>	<u>(230,948)</u>
Financing		
Loan repayments in year	(99,439)	(58,330)
Capital repayments in year	(8,111)	(2,053)
	<u>(107,550)</u>	<u>(60,383)</u>
Net cash outflow from financing		
	<u>(107,550)</u>	<u>(60,383)</u>

Notes to the Cash Flow Statement
for the Year Ended 30 September 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 10 11 £	Cash flow £	At 30 9 12 £
Net cash			
Cash at bank and in hand	13,036	153	13,189
Bank overdraft	(81,956)	(98,724)	(180,680)
	<u>(68,920)</u>	<u>(98,571)</u>	<u>(167,491)</u>
Debt			
Hire purchase	(29,523)	8,111	(21,412)
Debts falling due within one year	(99,168)	(1,479)	(100,647)
Debts falling due after one year	<u>(1,158,043)</u>	<u>100,918</u>	<u>(1,057,125)</u>
	<u>(1,286,734)</u>	<u>107,550</u>	<u>(1,179,184)</u>
Total	<u>(1,355,654)</u>	<u>8,979</u>	<u>(1,346,675)</u>

Notes to the Abbreviated Accounts
for the Year Ended 30 September 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents the amounts derived from ordinary activities, stated after trade discounts, VAT and any other sales taxes

Turnover from accommodation and room hire is recognised over the period of occupation

Turnover from the restaurant and the bar is recognised at the point of sale

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

Freehold property	- 1% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 20% on cost
Computer equipment	- over 7 years and Straight line over 3 years

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are only recognised when recovery is forecast with reasonable certainty

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

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. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

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

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

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 the profit and loss account in the period to which they relate

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

2 STAFF COSTS

	30 9 12	30 9 11
	£	£
Wages and salaries	1,284,097	1,215,340
Social security costs	84,222	84,028
Other pension costs	856	800
	<u>1,369,175</u>	<u>1,300,168</u>

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

	30 9 12	30 9 11
Management and administration	28	28
Others	110	113
	<u>138</u>	<u>141</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	30 9 12	30 9 11
	£	£
Other operating leases	48,294	23,335
Depreciation - owned assets	208,740	209,580
Depreciation - assets on hire purchase contracts	6,191	6,882
Loss on disposal of fixed assets	205	113
Auditors' remuneration	9,734	8,000
Foreign exchange differences	271	(763)
	<u>-</u>	<u>-</u>
Directors' remuneration	-	-

The intermediate parent company, Thompson (Holdings) Limited, pays the directors on behalf of Thornton Hall Hotel Limited. The cost is recharged as a management fee.

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 9 12	30 9 11
	£	£
Bank interest	907	1,069
Bank loan interest	77,064	82,854
Hire purchase	2,492	3,111
	<u>80,463</u>	<u>87,034</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30 9 12	30 9 11
	£	£
Current tax		
UK corporation tax	25,675	12,953
Under/(over) provision of tax	(9,076)	137
Total current tax	16,599	13,090
Deferred tax	5,300	4,686
Tax on profit on ordinary activities	21,899	17,776

UK corporation tax has been charged at 22 20% (2011 - 20 50%)

Factors affecting the tax charge

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

	30 9 12	30 9 11
	£	£
Profit on ordinary activities before tax	37,727	28,384
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 - 26%)	9,054	7,380
Effects of		
Expenses not deductible for tax purposes	429	2,705
Depreciation in excess of capital allowances	18,277	6,344
Adjustments to tax charge in respect of previous periods	(9,076)	137
Marginal relief	(3,242)	-
Change to standard rate of tax	1,157	(3,476)
Current tax charge	16,599	13,090

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

6 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 October 2011	2,524,780	2,424,488	5,150	86,013	5,040,431
Additions	43,025	57,434	-	18,496	118,955
Disposals	-	(16,455)	-	(13,593)	(30,048)
At 30 September 2012	2,567,805	2,465,467	5,150	90,916	5,129,338
DEPRECIATION					
At 1 October 2011	292,356	1,434,304	4,124	81,515	1,812,299
Charge for year	19,580	191,168	712	3,471	214,931
Eliminated on disposal	-	(16,250)	-	(13,593)	(29,843)
At 30 September 2012	311,936	1,609,222	4,836	71,393	1,997,387
NET BOOK VALUE					
At 30 September 2012	2,255,869	856,245	314	19,523	3,131,951
At 30 September 2011	2,232,424	990,184	1,026	4,498	3,228,132

In 2003, the hotel was valued at £4,500,000 by Mason Owen. The directors did not want to include the revaluation in the accounts. Since 2003 the hotel has been extended further, which has increased the value above the 2003 valuation.

Included within freehold property is £49,478 for the construction of a new bedroom block. As the block is not in use, depreciation of the cost has yet to commence.

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

6 TANGIBLE FIXED ASSETS - continued

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

	Fixtures and fittings £
COST	
At 1 October 2011	61,478
Additions	5,190
At 30 September 2012	66,668
DEPRECIATION	
At 1 October 2011	26,334
Charge for year	6,191
At 30 September 2012	32,525
NET BOOK VALUE	
At 30 September 2012	34,143
At 30 September 2011	35,144

7 STOCKS

	30 9 12	30 9 11
	£	£
Stocks	75,130	61,853

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 12	30 9 11
	£	£
Trade debtors	99,363	132,458
Other debtors	-	550
Prepayments and accrued income	66,903	58,350
	166,266	191,358

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 12	30 9 11
	£	£
Bank loans and overdrafts (see note 11)	281,327	181,124
Hire purchase contracts (see note 12)	15,983	13,051
Trade creditors	362,465	363,124
Amounts owed to group undertakings	628,104	743,123
Tax	25,675	12,953
Social security and other taxes	26,260	27,870
VAT	88,650	105,087
Other creditors	15,205	11,886
Accruals and deferred income	53,939	56,400
	<u>1,497,608</u>	<u>1,514,618</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 9 12	30 9 11
	£	£
Bank loans (see note 11)	1,057,125	1,158,043
Hire purchase contracts (see note 12)	5,429	16,472
	<u>1,062,554</u>	<u>1,174,515</u>

11 LOANS

An analysis of the maturity of loans is given below

	30 9 12	30 9 11
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	180,680	81,956
Bank loans	100,647	99,168
	<u>281,327</u>	<u>181,124</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>93,659</u>	<u>99,643</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>297,434</u>	<u>285,335</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans due over five years	<u>666,032</u>	<u>773,065</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

11 LOANS - continued

The above loans are repayable as follows

	Outstanding £	Interest rate %	Repayment date
Bank loan	16,219	2 000	March 2013
Bank loan	31,446	7 000	March 2014
Bank loan	926,748	6 475	October 2022
Bank loan	282,798	6 475	October 2022

12 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Hire purchase liabilities are secured against the assets to which they relate

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	30 9 12 £	30 9 11 £	30 9 12 £	30 9 11 £
Expiring				
Within one year	-	-	13,066	13,066
Between one and five years	-	-	14,267	14,267
In more than five years	21,000	21,000	-	-
	<u>21,000</u>	<u>21,000</u>	<u>27,333</u>	<u>27,333</u>

13 SECURED DEBTS

The following secured debts are included within creditors

	30 9 12 £	30 9 11 £
Bank overdrafts	180,680	81,956
Bank loans	1,157,772	1,257,211
	<u>1,338,452</u>	<u>1,339,167</u>

Debts are secured against Thornton Hall Hotel, Wirral

14 PROVISIONS FOR LIABILITIES

	30 9 12 £	30 9 11 £
Deferred tax	<u>167,116</u>	<u>161,816</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

14 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 October 2011	161,816
Charge to profit and loss account during year	5,300
Balance at 30 September 2012	167,116

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	30 9 12 £	30 9 11 £
2	Ordinary		2	2

16 RESERVES

	Profit and loss account £
At 1 October 2011	643,428
Profit for the year	15,828
At 30 September 2012	659,256

17 ULTIMATE PARENT COMPANY

The ultimate parent company is Peninsular Estates Limited, as it holds 100% of the ordinary share capital of Thompson (Holdings) Limited, the intermediate parent company.

18 RELATED PARTY DISCLOSURES

The following companies are deemed to be related parties by virtue of common overall control

Peninsular Estates Limited	Thompson (Holdings) Limited
Thornton Hall Health Club Limited	Thornton Hough Estates Limited

During the year Thornton Hall Hotel Ltd paid £21,000 in rent to Thornton Hough Estates Ltd (2011 - £21,000) and £151,150 in management charges to Thompson (Holdings) Ltd (2011 - £172,800) They received £79,000 from Thornton Hall Health Club Ltd for management fees (2011 - £nil)

As the year end Thornton Hall Hotel owed Thompson (Holdings) Ltd £628,104 (2011 - £743,123)

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2012

19. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is considered to be Mrs N Thompson as the first named trustee of the Nancy Thompson Children's Trust Settlement, who owns 100% of the issued shares of the ultimate parent company, Peninsular Estates Limited

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 9 12	30 9 11
	£	£
Profit for the financial year	15,828	10,608
Net addition to shareholders' funds	15,828	10,608
Opening shareholders' funds	643,430	632,822
Closing shareholders' funds	<u>659,258</u>	<u>643,430</u>