

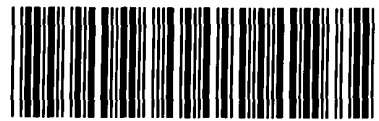
Company Registration No. 06645708 (England and Wales)

THE GATEWAY TO WALES (HOLDINGS) LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017**

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THE GATEWAY TO WALES (HOLDINGS) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	3		546,252		546,252
Current assets					
Debtors	4	1,390,176		1,389,851	
Cash at bank and in hand		1,050		-	
		<u>1,391,226</u>		<u>1,389,851</u>	
Creditors: amounts falling due within one year	5	<u>(1,761,581)</u>		<u>(1,460,677)</u>	
Net current liabilities			<u>(370,355)</u>		<u>(70,826)</u>
Total assets less current liabilities			<u>175,897</u>		<u>475,426</u>
Creditors: amounts falling due after more than one year	6		<u>(2,250,000)</u>		<u>(2,250,000)</u>
Net liabilities			<u>(2,074,103)</u>		<u>(1,774,574)</u>
Capital and reserves					
Called up share capital	7		700		700
Share premium account			249,300		249,300
Profit and loss reserves			<u>(2,324,103)</u>		<u>(2,024,574)</u>
Total equity			<u>(2,074,103)</u>		<u>(1,774,574)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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

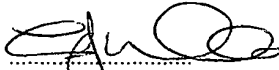
THE GATEWAY TO WALES (HOLDINGS) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2017

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

The financial statements were approved by the board of directors and authorised for issue on 15/12/17 and are signed on its behalf by:



C J Wilce
Director

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

The Gateway to Wales (Holdings) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6th Floor St Magnus House, 3 Lower Thames Street, London, EC3R 6HD.

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.

These financial statements are the first financial statements of The Gateway to Wales (Holdings) Limited prepared in accordance with FRS 102. The financial statements of The Gateway to Wales (Holdings) Limited for the year ended 31 March 2016 were prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) ("the FRSE").

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the FRSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

On 18 December 2017, the hotel from which the company's trading subsidiary operates burned down. Based on the information currently available, the Directors are confident that their insurance cover is sufficient to allow the company to continue as a going concern.

In addition, the group of which the company is the parent has been loss making in the current and comparative reporting period. The company is reliant upon the financial support of its shareholders. Assurances have been given that there will be continued support to the company for the foreseeable future. Management accounts and forecasts have been prepared and these support the assertion that the accounts should be prepared on a going concern basis.

The financial statements do not include any adjustments that would result from the company not being able to meet its liabilities as they fall due.

Fixed asset investments

Interests in subsidiaries are measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances and amounts due from group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

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 trade and other creditors, and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

2 Employees

The directors were the only employees of the company during the current and prior financial year.

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 Fixed asset investments

	2017 £	2016 £
Investments	546,252	546,252

Movements in fixed asset investments

	Shares in group undertakings £
Cost	
At 1 April 2016 & 31 March 2017	546,252
Carrying amount	
At 31 March 2017	546,252
At 31 March 2016	546,252

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by group undertakings	1,390,001	1,389,851
Other debtors	175	-
	1,390,176	1,389,851

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	4,750	-
Other creditors	1,756,831	1,460,677
	1,761,581	1,460,677

Other creditors includes cumulative unpaid dividends of £1,754,831 (2016 - £1,458,177) relating to the 'A' Ordinary shares.

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>2,250,000</u>	<u>2,250,000</u>

Other creditors includes £2,250,000 (2016: £2,250,000) in respect of 30,000 'A' Ordinary shares of £1 each. The shares are irredeemable and bear interest at a rate of 8% per annum. Further details are given in note 7.

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

Payable other than by instalments	<u>2,250,000</u>	<u>2,250,000</u>
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7 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
70,000 Ordinary shares of 1p each	<u>700</u>	<u>700</u>

Ordinary shares

The company's Ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

'A' Ordinary shares

30,000 'A' Ordinary shares of £1 each are classified as a liability and included in other creditors in accordance with paragraph 22.5(c) of FRS 102 (see note 6). These shares carry fixed cumulative dividends of 8% per annum which are in arrears for the year. On the winding up of the company, these shares carry the right to preferential repayment to the capital value of the shares and any unpaid dividends. 'A' Ordinary shares each carry the right to one vote at general meetings of the company.

8 Events after the reporting date

On 18 December 2017, the hotel from which the company's trading subsidiary operates burned down. Based on the information currently available, the Directors are confident that their insurance cover is sufficient to allow the company to continue as a going concern. Given the timing of the fire, management are still assessing the financial effect of this event together with their insurers, and no estimate of the financial effect of this event can be made at the time of signing these financial statements.

THE GATEWAY TO WALES (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Related party transactions

The following amounts were outstanding at the reporting end date:

	Balance £	2017 Provision £	Net £
Amounts owed by related parties			
Entities over which the entity has control, joint control or significant influence	1,649,465	259,464	1,390,001
	<u>1,649,465</u>	<u>259,464</u>	<u>1,390,001</u>
	Balance £	2016 Provision £	Net £
Amounts owed in previous period			
Entities over which the entity has control, joint control or significant influence	1,649,315	259,464	1,389,851
	<u>1,649,315</u>	<u>259,464</u>	<u>1,389,851</u>