

Company Registration No. SC271413 (Scotland)

AIRTH CASTLE HOTEL LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2017**

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AIRTH CASTLE HOTEL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors are responsible for preparing the Directors' Report 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.

AIRTH CASTLE HOTEL LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		982,969		1,103,719
Current assets					
Stocks		47,093		41,606	
Debtors	4	1,091,121		1,197,636	
Cash at bank and in hand		97,122		56,758	
		1,235,336		1,296,000	
Creditors: amounts falling due within one year	5	(1,726,153)		(1,838,180)	
Net current liabilities			(490,817)		(542,180)
Total assets less current liabilities			492,152		561,539
Deferred income	6		-		(53,660)
Net assets			492,152		507,879
Capital and reserves					
Called up share capital	7		2		2
Other reserves			375,037		375,037
Profit and loss reserves			117,113		132,840
Total equity			492,152		507,879

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

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 12/03/18 and are signed on its behalf by:

Mr F Colombetti
Director

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

Company information

Airth Castle Hotel Limited is a private company limited by shares incorporated in Scotland. The registered office is 10 Albert Place, Stirling, Scotland, FK8 2QL.

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.

Going concern

At the year end the company had net current liabilities of £490,817. Since the year end cash inflows from trading have improved with further profits and cash inflows forecast for the remainder of the year. On this basis the directors find it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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, fittings and equipment	8%-12% straight line
Computer equipment	25% straight line
Motor vehicles	25% straight line

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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.

Trade and other debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade and other debtors constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of trade and other debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade, other and inter-company debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Trade and other creditors

Trade, other and inter-company creditors are payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the instrument with a trade, other and inter-company creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies (Continued)

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.

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.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 110 (2016 - 112).

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

3 Tangible fixed assets

	Fixtures, fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2016	1,123,184	138,768	70,998	1,332,950
Additions	102,915	48,614	-	151,529
Disposals	-	-	(49,096)	(49,096)
At 30 September 2017	1,226,099	187,382	21,902	1,435,383
Depreciation and impairment				
At 1 October 2016	164,175	53,692	11,364	229,231
Depreciation charged in the year	173,928	46,321	10,543	230,792
Eliminated in respect of disposals	-	-	(7,609)	(7,609)
At 30 September 2017	338,103	100,013	14,298	452,414
Carrying amount				
At 30 September 2017	887,996	87,369	7,604	982,969
At 30 September 2016	959,009	85,076	59,634	1,103,719

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	131,588	163,768
Other debtors	959,533	1,033,868
	1,091,121	1,197,636

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	693,128	684,548
Other taxation and social security	395,177	497,206
Other creditors	637,848	656,426
	1,726,153	1,838,180

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

6 Deferred income

	2017 £	2016 £
Other deferred income	-	53,660

7 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 2 Ordinary Shares of £1 each	2	2

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	440,305	430,000
Between one and five years	1,937,342	1,892,000
In over five years	8,453,856	9,288,000
	10,831,503	11,610,000

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Rent paid		Recharged to/from	
	2017 £	2016 £	2017 £	2016 £
Other related parties	169,178	330,382	-	25,797

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed to related parties	-	149,443

AIRTH CASTLE HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

9 Related party transactions (Continued)

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received.

The remuneration of directors who are considered to be the key management personnel of the company was £308,695 (2016: £225,250), employers national insurance of £17,066 (2016: £15,402) and pension contributions paid in the year were £396 (2016: £39,172).

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was RSM UK Audit LLP.