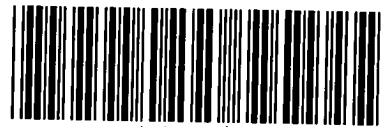


Euro (Newquay) Limited
Annual Report and Financial Statements
Year Ended 31 March 2019
Registration number: 02686300

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Euro (Newquay) Limited

Company Information

Directors	J M Nettleton G L Nettleton
Registered office	Lowin House Tregolls Road Truro Cornwall TR1 2NA
Bankers	Barclays Bank 20 Lemon Street Truro Cornwall TR1 2NB
Auditors	PKF Francis Clark Statutory Auditor Lowin House Tregolls Road Truro Cornwall TR1 2NA

Euro (Newquay) Limited

Directors' Report

Year Ended 31 March 2019

Fair review of the business

The principal operation of the Euro (Newquay) Limited continues to be that of the operation of the Esplanade Hotel, Newquay.

A picturesque and contemporary hotel overlooking the renowned Fistral Beach in Newquay, The Esplanade continues to be popular with families and groups. During the year the hotel undertook a substantial refurbishment of the lounge area, working in collaboration with local designers and sourcing local materials. The Directors continue to pursue opportunities to invest and develop the product offered at the Esplanade in order to maintain its well-regarded position in the market. More recently the hotel has been nominated in the Family Traveller Excellence awards, following on from accolades from other respected industry bodies.

Euro (Newquay) Limited

Balance Sheet

31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	1,622,035	1,634,583
Current assets			
Stocks	5	42,862	43,276
Debtors	6	1,867,487	2,159,584
Cash at bank and in hand		40,300	73,774
		<u>1,950,649</u>	<u>2,276,634</u>
Creditors: Amounts falling due within one year	7	<u>(1,162,804)</u>	<u>(1,666,955)</u>
Net current assets		<u>787,845</u>	<u>609,679</u>
Total assets less current liabilities		2,409,880	2,244,262
Creditors: Amounts falling due after more than one year	7	(78,200)	(86,865)
Provisions for liabilities		<u>(51,489)</u>	<u>(46,687)</u>
Net assets		<u>2,280,191</u>	<u>2,110,710</u>
Capital and reserves			
Called up share capital	9	1,000	1,000
Profit and loss account		<u>2,279,191</u>	<u>2,109,710</u>
Total equity		<u>2,280,191</u>	<u>2,110,710</u>

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20/4/17 and signed on its behalf by:


J M Nettleton
Director

Company Registration Number: 02686300

The notes on pages 4 to 10 form an integral part of these financial statements.

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

The principal place of business is:

The Esplanade Hotel
Esplanade Road
Pentire
Newquay
Cornwall
TR7 1PS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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' and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The functional and presentational currency for the company is pounds sterling, with values rounded to the nearest pound.

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Accommodation revenue is recognised at the point of the customer staying in the room. Deposits received in advance of customer stays are treated as payments on account and recognised within creditors due within one year.

Food, beverage and all other sales are recognised at the point of sale.

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Straight line over 50 years
Fixtures and fittings	Straight line over 10 years
Motor vehicles	Straight line over 4 years

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Inter group debt; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Critical judgements and estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A key area of estimation in the financial statements relates to depreciation. The company continually invests in its product and keeps the hotel in a high state of repair. Profits / (losses) on disposal of assets are also considered in the context of whether they indicate the need to revise a depreciation estimate.

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 55 (2018 - 54).

4 Tangible assets

	Land and buildings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2018	1,812,082	132,700	876,350	2,821,132
Additions	-	-	113,934	113,934
At 31 March 2019	1,812,082	132,700	990,284	2,935,066
Depreciation				
At 1 April 2018	616,186	-	570,363	1,186,549
Charge for the year	31,991	33,175	61,316	126,482
At 31 March 2019	648,177	33,175	631,679	1,313,031
Carrying amount				
At 31 March 2019	1,163,905	99,525	358,605	1,622,035
At 31 March 2018	1,195,896	132,700	305,987	1,634,583

The freehold land and buildings disclosed above are secured by means of a charge dated 17 January 2011 in respect of Barclays Bank PLC. The respective bank debt is held in another group undertaking.

Included in fixed assets above is £99,525 (2018 - £132,700) which is pledged as security against finance lease liabilities.

Included within the net book value of land and buildings above is £1,163,905 (2018 - £1,195,896) in respect of freehold land and buildings.

5 Stocks

	2019 £	2018 £
Other inventories	42,862	43,276

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

6 Debtors

	2019	2018
	£	£
Trade debtors	34,146	62,242
Amounts due from group undertakings	762,827	1,988,278
Other debtors	971,977	10,228
Prepayments	98,537	98,836
	<u>1,867,487</u>	<u>2,159,584</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2019	2018
		£	£
Due within one year			
Loans and borrowings	8	8,016	8,015
Trade creditors		149,903	133,401
Amounts due to group undertakings	11	504,103	703,405
Corporation tax		248,671	49,745
Social security and other taxes		61,355	59,366
Outstanding defined contribution pension costs		1,346	523
Other creditors		61,538	594,750
Accrued expenses		30,001	39,131
Deferred income		4,500	4,500
Payments on account		93,371	74,119
		<u>1,162,804</u>	<u>1,666,955</u>

Creditors: amounts falling due after more than one year

	Note	2019	2018
		£	£
Due after one year			
Loans and borrowings	8	<u>78,200</u>	<u>86,865</u>

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

8 Loans and borrowings

	2019	2018
	£	£
Current loans and borrowings		
Finance lease liabilities	<u>8,016</u>	<u>8,015</u>
Loans and borrowings due after one year		
Finance lease liabilities	<u>78,200</u>	<u>86,865</u>

The amounts shown as finance lease liabilities are secured against the assets to which they relate.

9 Share capital

Allotted, called up and fully paid shares

	No.	2019	No.	2018
		£		£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

10 Financial commitments, guarantees and contingencies

Euro (Newquay) Limited is subject to a cross guarantee and debenture with fellow subsidiaries of Nettleton Holdings Limited in respect of group borrowings.

At the balance sheet date the group borrowings are £6,130,456 (2018 - £6,522,908).

Euro (Newquay) Limited

Notes to the Financial Statements

Year Ended 31 March 2019

11 Related party transactions

Advances to directors

	At 1 April 2018 £	Advances to director £	Repayments by director £	At 31 March 2019 £
2019				
J M Nettleton				
Directors loan (repayable upon demand)	357,330	(1,082,731)	2,962	(722,439)
G L Nettleton				
Directors loan (interest free, repayable upon demand)	119,520	(152,542)	61	(32,961)
	At 1 April 2017 £	Advances to director £	Repayments by director £	At 31 March 2018 £
2018				
J M Nettleton				
Directors loan (repayable upon demand)	134,958	(114,287)	336,659	357,330
G L Nettleton				
Directors loan (interest free, repayable upon demand)	(24,561)	(15,919)	160,000	119,520

12 Parent and ultimate parent undertaking

The company's immediate parent is Nettleton Holdings Limited, incorporated in England and Wales. The registered office of the company is Lowin House, Tregolls Road, Truro, TR1 2NA.

The most senior parent entity producing publicly available financial statements is Nettleton Holdings Limited. These financial statements are available upon request from Companies House, Crown Way, Cardiff, CF14 3UZ.

13 Statement on auditors' report pursuant to s444 5(B) to the Companies Act 2006

The financial statements for the year ended 31 March 2019 were audited by:

PKF Francis Clark, statutory auditor
Lowin House
Tregolls Road
Truro
TR1 2NA

The senior statutory auditor was Thomas Roach BSc FCA.

An unqualified and unmodified auditors' report on the financial statements for the year ended 31 March 2019 has been issued.