

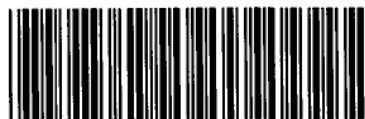
REGISTERED NUMBER: 01343600 (England and Wales)

Britannia Hotels Limited

Group Strategic Report, Directors' Report and

Consolidated Financial Statements for the Year Ended 31 March 2023

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Britannia Hotels Limited

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for the Year Ended 31 March 2023

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Britannia Hotels Limited

Company Information
for the Year Ended 31 March 2023

Directors:	R Ferrari A Langsam
Secretary:	R Ferrari
Registered office:	Halecroft 253 Hale Road Hale Altrincham Cheshire WA15 8RE
Registered number:	01343600 (England and Wales)
Auditors:	BDO LLP, Statutory Auditor 3 Hardman Street Manchester M3 3AT
Bankers:	Royal Bank of Scotland St Ann Square (B) PO Box 320 St. Ann Street Manchester M60 2SS

Britannia Hotels Limited

Group Strategic Report for the Year Ended 31 March 2023

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

Strategy

The group aims to offer increasing levels of comfort and service whilst maintaining its highly competitive prices and reputation for good value.

Review of business

Turnover

Turnover is monitored in overall terms reflecting a mix of occupancy levels and average room rate. Sales have increased over 31% (2022: 300%) for the year. This result represents an exceptional performance achieved during a period of difficult trading conditions which continues to limit opportunities for growth. Our priorities continue to be maintaining occupancy levels and to manage operating costs whilst ensuring that the business is well placed to exploit the opportunities of the future.

Gross profit

The gross margin achieved for the year equated to 68.7% (2022: 69.2%). Our priority continually remains to maintain occupancy levels and manage operating costs so that the business is well placed to exploit further investment in new properties.

Operating costs

The Group's policy is to increase profitability via tightly controlled management of costs.

Principal risks and uncertainties

The hotel industry in the UK continues to be increasingly competitive and this brings an increased risk of losing major sales accounts to competitors. The Company manages to control this risk by adding improved services whilst retaining highly competitive prices and maintaining good customer relationships. The Company has no overseas operations.

Demand for hotel services can be affected by general economic conditions in the country as well as the impact of non-economic factors such as the Covid 19 pandemic. We ensure that we retain the necessary flexibility not only on our prices in order to respond to market conditions but also to allow us to adapt and overcome the ever evolving challenges of operating hotels in the current socio-economic environment. In addition, we employ tight controls on our costs, particularly labour costs, in order to ensure that the Company maintains its competitive position.

Key performance indicators

The directors manage the group's operations by monitoring the above KPI's of turnover, gross profit and operating costs. It is believed that these KPI's are those most applicable in understanding the group as a whole's reported performance.

Future outlook

The directors remain confident that the Company is in a good position to meet the challenges and opportunities of the future. The hotels have managed to maintain their competitive edge through the economic downturn and continue to take steps designed to attract new business and improve market share going forward. The directors have carefully considered the availability of working capital and likely levels of trading over the next 12 months. They are confident that the business is well placed to meet any challenges that might arise.

Financial risk management objectives and policies

The financial instruments used by the group include bank overdrafts, cash and items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The main risks arising from the group's financial instruments are interest rate risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Britannia Hotels Limited

Group Strategic Report
for the Year Ended 31 March 2023

Interest rate risk

The group finances its operations through a mixture of retained profit, amounts owed to related parties and bank overdraft. It is the group's policy to undertake borrowings on variable interest rate facilities. The directors are confident that the overall resources of the organisation and its shareholders are sufficient to enable us to easily absorb any potential changes in interest rates.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Short-term flexibility is achieved by overdraft facilities.

Credit risk

The group's principal financial assets are cash and trade debtors. The principal credit risk arises from the group's trade debtors. To manage credit risk, the directors enforce a rigorous system of third party credit references, constantly reviewed credit limits and uncompromising debt collection.

Section 172 Statement

As with all businesses over the past year the directors have continued to respond to the cost of living crisis and impact of current events in Europe & the rest of the world which continue to effect the industry and lead to new challenges. The ability to adapt processes and operations quickly has been key and the directors' have responded by engaging with stakeholders at all levels to meet the demand for accommodation whilst ensuring a safe environment for employees and customers.

The director's strategy continues to be one of maintaining occupancy levels and minimizing costs whilst delivering highly competitive prices to the consumer. The flexibility of the organisation to meet changing demands for accommodation as well as its ability to employ tight controls on our costs will be key to the long-term success of the business and benefit of its members as a whole.

The directors are responsible for the group strategy as well as monitoring and managing risk and internal controls throughout the organisation.

As is stated in the report of the Directors the organisation strives to engage and consult with employees to provide a safe, equal opportunity working environment where they can thrive. As a business, we pride ourselves in our ability to attract, develop, and retain a wide range of talent across all our hotels. We value the diversity of our dedicated workforce and see as key to our success a commitment to equal opportunities and equal treatment for all employees.

Increased fuel costs continue to be a main focus for the year ahead, we have already set up monitoring systems designed to reduce consumption of utilities across all sites which will both enable costs savings and reduce our carbon consumption. Our Energy and sustainability team focuses on reducing both water and energy consumption with initiatives like replacing existing lighting with low energy LEDs and remotely monitoring consumption of water, electricity and gas across all the sites. The Directors recognise that as a large company it must not only consider the needs of direct stakeholders such as employees, customers and suppliers but also its impact on the environment and society as a whole.

On behalf of the board:



R Ferrari - Director

Date:

26/03/2024

Britannia Hotels Limited

Directors' Report for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

The accounts are made up to the business year end date of 01 April 2023 (2022: 26 March 2022).

Results

The audited financial statements for the year ended 31 March 2023 are set out on pages 12 to 37. Total comprehensive income for the year was a profit of £31,692,000 (2022- £23,791,000).

Dividends

No dividends will be distributed for the year ended 31 March 2023 (2022: £nil).

Directors

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

R Ferrari
A Langsam

Employees

Details of employees and related costs can be found in note 4 to the financial statements.

The group's policies and practices are laid out in employees' contracts of employment. Regular meetings are held within the individual hotels with heads of departments and the resulting information is passed to all employees. The group makes every effort to provide the same opportunities to disabled persons as to others and does not discriminate between employees on the grounds of race, ethnic origin or sex. Equal opportunity is given to all job applicants.

Briefing and consultative procedures exist throughout the group to inform employees on all matters of concern to them and to provide opportunities for comment and discussion.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitude of the applicant concerned. In the event of any members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Going concern

The directors consider that the application of going concern is appropriate having regard to confirmation of shareholder support received and the fact that the company operates in the wider context of the entities detailed in note 20. The directors perform an annual review of the entity's ability to continue to operate as a going concern, taking into account expected cashflows and the ability to source funding from other group companies, controlling parties and external parties. On this basis the directors consider it appropriate to adopt the going concern basis.

In the period the company took steps to minimise risks and preserve cash by maintaining our usual tightly controlled management of costs alongside introducing various cash saving actions such as delaying capital expenditure and cutting all non-essential operating expenditure.

The company has sufficient headroom on our banking facilities for at least the next 12 months from the date of approval of the balance sheet.

As a UK short stay operator the company is well-placed to benefit from the summer period due to the reluctance people may have to travel abroad.

Britannia Hotels Limited has taken into account the future economic uncertainty posed by events in Europe and beyond in the next financial year and at least 12 months from the date of approval of these financial statements.

Britannia Hotels Limited

Directors' Report for the Year Ended 31 March 2023

Streamlined energy and carbon reporting

Summary

The greenhouse gas emissions for Britannia Hotels Limited Group for the period 1st April 2022 to 31st March 2023 was 17,503 tonnes of carbon dioxide equivalent (tCO₂e), using a location-based methodology for calculating greenhouse gases. This reflects a 0.2% decrease compared to the previous financial year, which recorded emissions of 17,546 tCO₂e. The total energy consumed during the same period was 91,749,878 kilowatt-hours (kWh), which represents a 2% increase compared to the previous year's consumption of 89,568,240 kWh.

An emissions intensity ratio has been calculated to express the company's annual emissions relative to a quantifiable factor or normalizer. Britannia Hotels Limited Group have an intensity ratio of 113.08 tCO₂e per million pounds of revenue (tCO₂e per £m), a 21% decrease compared to the 143.59 tCO₂e per £m in 2021-2022 financial year.

Greenhouse Gas Emissions

Table 1 Greenhouse gas emissions by year (tonnes CO₂e)

Emissions source	2021/22	2022/23	Share (%)	(%) Annual Change
Fuel combustion: Natural gas	12,053	11,956	68%	-1%
Purchased electricity	5,493	5,547	32%	1%
Total emissions (tCO₂e)	17,546	17,503	100%	-0.25%
Revenue (£m)	117.85	154.79		31.34%
Intensity: (tCO₂e per £m)	143.59	113.08		-21%

Table 2 Greenhouse gas emissions by scope (tonnes CO₂e)

Emissions source	2021/22	2022/23	Share (%)	(%) Annual Change
Scope 1	12,053	11,956	68%	-1%
Scope 2	5,047	5,082	29%	1%
Scope 3	446	465	3%	4%
Total emissions (tCO₂e)	17,546	17,503	100%	-0.25%

Scope 1: Natural gas and company-operated transport. Scope 2: Electricity. Scope 3: Losses from electricity distribution and transmission. This only includes emissions reportable under SECR and may not reflect the entire carbon footprint of the organisation.

Emissions source	2021/22	2022/23	Share (%)	(%) Annual Change
Natural gas	65,800,661	65,472,077	71%	-0.50%
Electricity	23,767,579	26,277,800	29%	11%
Total emissions (kWh)	89,568,240	91,749,878	100%	2%

Britannia Hotels Limited

Directors' Report for the Year Ended 31 March 2023

Boundary, Methodology and Exclusions

The data is calculated and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, March 2019.

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. This approach captures emissions associated with the operation of buildings within the scope of the regulation, plus transport. This report covers UK operations only, as required by SECR for Non-Quoted Large Companies.

This report also includes emissions from transmission and distribution losses of electricity under Scope 3, which are voluntary reportable emissions. Their inclusion is considered best practice.

Britannia Hotels Limited Group is not listed on a stock exchange such as the London Stock Exchange, so is classified as a Non-Quoted Large Company for the purpose of regulatory compliance.

Emissions have been calculated using the 2022 conversion factors provided by Department of Business, Energy & Industrial Strategy. The reporting period is 1st April 2022 to 31st March 2023.

Energy Efficiency Initiatives

The SECR legislation mandates that companies include in their Directors' Report some essential information on the energy efficiency initiatives they have undertaken during the financial year. In the reporting period of 2022/2023, Britannia Hotels Limited Group continue to seek opportunities for reducing energy consumption including:

- Closely monitoring consumption.
- Replacing broken plant with modern equivalents.
- Use of LED lights throughout the portfolio.

Statement of directors' responsibilities

The directors are responsible for preparing the Group Strategic Report, 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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Britannia Hotels Limited

Directors' Report

for the Year Ended 31 March 2023

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 group'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 group's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

On behalf of the board:



R Ferrari - Director

Date:

26/03/2024

Report of the Independent Auditors to the Members of
Britannia Hotels Limited

Independent auditor's report to the members of Britannia Hotels Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2023 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Britannia Hotels Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Report of the Independent Auditors to the Members of
Britannia Hotels Limited

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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, 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 is 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Britannia Hotels Limited

Auditor's 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 an auditor's report 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Companies Act 2006, HM Revenue and Customs' rules in relation to Value-added tax, Pay As You Earn and Corporation Tax, the Health and Safety at Work Act and General Data Protection Regulation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;

Report of the Independent Auditors to the Members of
Britannia Hotels Limited

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition with regard to cut off, posting inappropriate journal entries and management bias in accounting estimates.

Our procedures in respect of the above included:

- Detailed testing of a sample of revenue transactions either side of the year end to check revenue was recognised in the correct accounting period.
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias including: challenging assumptions and judgements made by management in particular in relation to the expected useful economic life and residual value of tangible fixed assets.

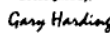
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Gary Harding (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
3 Hardman Street
Manchester
M3 3AT

26 March 2024

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Britannia Hotels Limited

Consolidated Statement of Comprehensive Income
for the Year Ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Turnover	3	154,790	117,847
Cost of sales		<u>(48,417)</u>	<u>(36,305)</u>
Gross profit		106,373	81,542
Administrative expenses		<u>(72,945)</u>	<u>(49,157)</u>
		33,428	32,385
Other operating income		<u>5,200</u>	<u>957</u>
Operating profit	5	38,628	33,342
Interest receivable and similar income		<u>743</u>	<u>13</u>
Profit before taxation		39,371	33,355
Tax on profit	6	<u>(7,679)</u>	<u>(9,564)</u>
Profit for the financial year		31,692	23,791
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>31,692</u>	<u>23,791</u>
Profit attributable to: Owners of the parent		<u>31,692</u>	<u>23,791</u>
Total comprehensive income attributable to: Owners of the parent		<u>31,692</u>	<u>23,791</u>

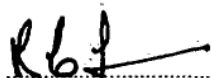
The notes on pages 20 to 39 form part of these financial statements

Britannia Hotels Limited (Registered number: 01343600).

Consolidated Statement of Financial Position
31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Intangible assets	8	5,810	6,899
Tangible assets	9	244,371	234,922
Investments	10	-	-
		<u>250,181</u>	<u>241,821</u>
Current assets			
Stocks	11	3,742	3,588
Debtors	12	15,848	18,629
Cash at bank and in hand		<u>63,624</u>	<u>39,730</u>
		83,214	61,947
Creditors			
Amounts falling due within one year	13	<u>(36,966)</u>	<u>(29,998)</u>
Net current assets		<u>46,248</u>	<u>31,949</u>
Total assets less current liabilities		296,429	273,770
Creditors			
Amounts falling due after more than one year	14	(27,655)	(37,506)
Provisions for liabilities	17	<u>(35,315)</u>	<u>(34,497)</u>
Net assets		<u>233,459</u>	<u>201,767</u>
Capital and reserves			
Called up share capital	18	30	30
Revaluation reserve	19	12,770	12,770
Other reserves	19	7,064	7,064
Retained earnings	19	<u>213,595</u>	<u>181,903</u>
Shareholders' funds		<u>233,459</u>	<u>201,767</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26/03/2024 and were signed on its behalf by:



R Ferrari - Director

The notes on pages 20 to 39 form part of these financial statements

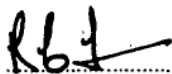
Britannia Hotels Limited (Registered number: 01343600)

Company Statement of Financial Position
31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Intangible assets	8	33	33
Tangible assets	9	205,354	195,904
Investments	10	<u>15,941</u>	<u>15,941</u>
		<u>221,328</u>	<u>211,878</u>
Current assets			
Stocks	11	3,419	3,266
Debtors	12	61,316	60,447
Cash at bank and in hand		<u>50,745</u>	<u>28,920</u>
		115,480	92,633
Creditors			
Amounts falling due within one year	13	<u>(71,917)</u>	<u>(61,889)</u>
Net current assets		<u>43,563</u>	<u>30,744</u>
Total assets less current liabilities		264,891	242,622
Creditors			
Amounts falling due after more than one year	14	(27,654)	(37,505)
Provisions for liabilities	17	<u>(34,267)</u>	<u>(33,692)</u>
Net assets		<u>202,970</u>	<u>171,425</u>
Capital and reserves			
Called up share capital	18	30	30
Revaluation reserve	19	15,910	15,910
Retained earnings	19	<u>187,030</u>	<u>155,485</u>
Shareholders' funds		<u>202,970</u>	<u>171,425</u>
Company's profit for the financial year		<u>31,545</u>	<u>23,854</u>

The financial statements were approved by the Board of Directors and authorised for issue on and were signed on its behalf by:

26/03/2024



R Ferrari - Director

The notes on pages 20 to 39 form part of these financial statements

Britannia Hotels Limited

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £'000	Retained earnings £'000	Revaluation reserve £'000	Other reserves £'000	Total equity £'000
Balance at 1 April 2021	30	158,112	12,770	7,064	177,976
Changes in equity					
Total comprehensive income	-	23,791	-	-	23,791
Balance at 31 March 2022	30	181,903	12,770	7,064	201,767
Changes in equity					
Total comprehensive income	-	31,692	-	-	31,692
Balance at 31 March 2023	30	213,595	12,770	7,064	233,459

The notes on pages 20 to 39 form part of these financial statements

Britannia Hotels Limited

Company Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £'000	Retained earnings £'000	Revaluation reserve £'000	Total equity £'000
Balance at 1 April 2021	30	131,631	15,910	147,571
Changes in equity				
Total comprehensive income	-	23,854	-	23,854
Balance at 31 March 2022	30	155,485	15,910	171,425
Changes in equity				
Total comprehensive income	-	31,545	-	31,545
Balance at 31 March 2023	30	187,030	15,910	202,970

The notes on pages 20 to 39 form part of these financial statements

Britannia Hotels Limited

Consolidated Statement of Cash Flows
for the Year Ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Cash generated from operations	22	41,320	23,693
Tax paid		<u>(7,050)</u>	<u>1</u>
Net cash from operating activities		<u>34,270</u>	<u>23,694</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,469)	(2,939)
Sale of tangible fixed assets		1	-
Interest received		<u>743</u>	<u>13</u>
Net cash from investing activities		<u>(8,725)</u>	<u>(2,926)</u>
Cash flows from financing activities			
Amount introduced by directors		-	1,643
Amount withdrawn by directors		<u>(1,651)</u>	<u>(13)</u>
Net cash from financing activities		<u>(1,651)</u>	<u>1,630</u>
Increase in cash and cash equivalents		<u>23,894</u>	<u>22,398</u>
Cash and cash equivalents at beginning of year	23	<u>39,730</u>	<u>17,332</u>
Cash and cash equivalents at end of year	23	<u><u>63,624</u></u>	<u><u>39,730</u></u>

The notes on pages 18 to 37 form part of these financial statements

Britannia Hotels Limited

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Britannia Hotels 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 General Information page.

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.

The group and company's principal activities continue to be the operating of hotels and property development in the UK. It also sells conference room hire, banqueting functions and health club membership.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Basis of consolidation

The group financial statements consolidate the financial statements of Britannia Hotels Limited and its material subsidiary undertakings drawn up to the end of March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Going concern

The directors consider that the application of going concern is appropriate having regard to confirmation of shareholder support received and the fact that the company operates in the wider context of the entities detailed in note 20. The directors perform an annual review of the entity's ability to continue to operate as a going concern, taking into account expected cashflows and the ability to source funding from other group companies, controlling parties and external parties. On this basis the directors consider it appropriate to adopt the going concern basis.

In the period the company took steps to minimise risks and preserve cash by maintaining our usual tightly controlled management of costs alongside introducing various cash saving actions such as delaying capital expenditure and cutting all non-essential operating expenditure.

The company has sufficient headroom on our banking facilities for at least the next 12 months from the date of approval of the balance sheet.

Britannia Hotels Limited has taken into account the future economic uncertainty posed by events in Europe and beyond in the next financial year and at least 12 months from the date of approval of these financial statements.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where there are estimates and judgements made include:

- Insurance accruals - based on directors' best estimate
- Onerous lease provision - based on directors' best estimate
- Asbestos accruals - based on estimates provided by third party contractors
- Useful economic lives and residual values of tangible fixed assets for depreciation

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover in respect of accommodation is recognised overnight during each night the customer stays whilst other sales, including bar sales, food sales, conference room hire and banqueting functions, are recognised at the point of purchase. Rental income, Health Club Membership and Management Service income are recognised in the period in which they are earned.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised evenly over its estimated useful life of ten years.

The goodwill in the group accounts arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired has been capitalised and written off on a straight line basis over ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are stated at cost or valuation net of depreciation and any provisions for impairment.

No depreciation is provided on freehold hotel properties or hotel properties with leases of twenty years or more to run at the balance sheet date or plant, machinery, fixtures and fittings. It is the group's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly the directors consider that the lives of these assets are so long, and residual values (based on prices prevailing at the time of acquisition or subsequent valuation) are so high, that their depreciation is insignificant. Moreover, whilst the initial costs incurred on extensive repair and refurbishment programmes are capitalised, those in respect of items subsequently replaced are written off to the profit and loss account as incurred.

Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of assets over their expected useful lives as follows:

Motor vehicles - 25% per annum reducing balance basis
Equipment - 33% per annum straight line basis
Leasehold property - straight line basis over the lease term.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

Stocks

Stocks including development properties held for resale, are stated at the lower of cost and net realisable value.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 statement of financial position date.

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Chief rents

Chief rents created are capitalised on the basis of 3 - 5 times the annual amounts receivable. No amortisation is provided on chief rents capitalised, as the amount involved would not be significant.

2. ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Long-term provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The present value of long-term provisions are determined by discounting the expected future cash flows at an appropriate pre-tax rate that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using effective interest method.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

2. ACCOUNTING POLICIES - continued

Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

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

	2023	2022
	£'000	£'000
Hoteliers	142,440	108,787
Hotel management services	11,922	8,937
Rental income	428	123
	<u>154,790</u>	<u>117,847</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£'000	£'000
Wages and salaries	35,220	27,394
Social security costs	2,216	1,537
Other pension costs	<u>461</u>	<u>312</u>
	<u>37,897</u>	<u>29,243</u>

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

	2023	2022
Directors	2	2
Office and management	164	158
Direct workers	<u>2,199</u>	<u>1,658</u>
	<u>2,365</u>	<u>1,818</u>

	2023	2022
	£	£
Directors' remuneration	<u>237,574</u>	<u>300,000</u>

Information regarding the highest paid director is as follows:

	2023	2022
	£	£
Emoluments etc	<u>237,574</u>	<u>300,000</u>

Directors emoluments represents the Directors' salary for the period and no pension payments were made in either financial year.

Included in other operating income are furlough receipts totalling £nil (2022 £956,683).

5. OPERATING PROFIT

The operating profit is stated after charging:

	2023	2022
	£'000	£'000
Depreciation - owned assets	19	31
Goodwill amortisation	1,089	1,090
Auditors remuneration - for audit of these financial statements	78	71
Auditors remuneration - for audit of subsidiary financial statements	<u>16</u>	<u>16</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023 £'000	2022 £'000
Current tax:		
UK corporation tax	7,200	4,142
Adjustment in respect of previous periods	38	-
Total current tax	<u>7,238</u>	<u>4,142</u>
Deferred tax:		
Origination and reversal of timing differences	441	1,613
Adjustment in respect of previous periods	-	343
Effect of changes in tax rates	-	<u>3,466</u>
Total deferred tax	<u>441</u>	<u>5,422</u>
Tax on profit	<u>7,679</u>	<u>9,564</u>

Reconciliation of total tax charge included in profit and loss

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

	2023 £'000	2022 £'000
Profit before tax	<u>39,371</u>	<u>33,355</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	7,480	6,337
Effects of:		
Expenses not deductible for tax purposes	202	205
Adjustments to tax charge in respect of previous periods	(3)	343
Tax rate changes	-	3,441
Movement in deferred tax not recognised	-	(762)
Total tax charge	<u>7,679</u>	<u>9,564</u>

An increase in the future main corporation tax rate to 25% from 1 April 2023, from the previously enacted 19%, was announced at the budget on 3 March 2021, and was substantively enacted on 24 May 2021.

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued.
for the Year Ended 31 March 2023

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

The profit for the parent company was £31,545,000 (2022: £23,854,000).

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £'000	Chief rents capitalised £'000	Totals £'000
Cost			
At 1 April 2022 and 31 March 2023	<u>10,896</u>	<u>33</u>	<u>10,929</u>
Amortisation			
At 1 April 2022	4,030	-	4,030
Amortisation for year	<u>1,089</u>	<u>-</u>	<u>1,089</u>
At 31 March 2023	<u>5,119</u>	<u>-</u>	<u>5,119</u>
Net book value			
At 31 March 2023	<u>5,777</u>	<u>33</u>	<u>5,810</u>
At 31 March 2022	<u>6,866</u>	<u>33</u>	<u>6,899</u>

Company

	Chief rents capitalised £'000
Cost	
At 1 April 2022 and 31 March 2023	<u>33</u>
Net book value	
At 31 March 2023	<u>33</u>
At 31 March 2022	<u>33</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

9. TANGIBLE FIXED ASSETS

Group

	Freehold land and buildings £'000	Leasehold improvements £'000	Long leasehold land and buildings £'000	Plant and machinery £'000
Cost				
At 1 April 2022	132,995	358	55,208	25,335
Additions	6,786	-	6,728	4
Disposals	-	-	(4,564)	-
At 31 March 2023	<u>139,781</u>	<u>358</u>	<u>57,372</u>	<u>25,339</u>
Depreciation				
At 1 April 2022	9,040	-	45	-
Charge for year	-	-	10	-
Eliminated on disposal	-	-	-	-
At 31 March 2023	<u>9,040</u>	<u>-</u>	<u>55</u>	<u>-</u>
Net book value				
At 31 March 2023	<u>130,741</u>	<u>358</u>	<u>57,317</u>	<u>25,339</u>
At 31 March 2022	<u>123,955</u>	<u>358</u>	<u>55,163</u>	<u>25,335</u>
	Fixtures and fittings £'000	Motor vehicles £'000	Equipment £'000	Totals £'000
Cost				
At 1 April 2022	30,370	125	87	244,478
Additions	502	-	13	14,033
Disposals	-	(5)	-	(4,569)
At 31 March 2023	<u>30,872</u>	<u>120</u>	<u>100</u>	<u>253,942</u>
Depreciation				
At 1 April 2022	289	99	83	9,556
Charge for year	-	6	3	19
Eliminated on disposal	-	(4)	-	(4)
At 31 March 2023	<u>289</u>	<u>101</u>	<u>86</u>	<u>9,571</u>
Net book value				
At 31 March 2023	<u>30,583</u>	<u>19</u>	<u>14</u>	<u>244,371</u>
At 31 March 2022	<u>30,081</u>	<u>26</u>	<u>4</u>	<u>234,922</u>

Britannia Hotels Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

9. TANGIBLE FIXED ASSETS - continued

Company

	Freehold land and buildings £'000	Long leasehold land and buildings £'000	Plant and machinery £'000
Cost			
At 1 April 2022	101,195	53,502	20,595
Additions	6,786	6,729	3
Disposals	-	(4,564)	-
At 31 March 2023	<u>107,981</u>	<u>55,667</u>	<u>20,598</u>
Depreciation			
At 1 April 2022	4,000	-	-
Charge for year	-	-	-
Eliminated on disposal	-	-	-
At 31 March 2023	<u>4,000</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 March 2023	<u>103,981</u>	<u>55,667</u>	<u>20,598</u>
At 31 March 2022	<u>97,195</u>	<u>53,502</u>	<u>20,595</u>

	Fixtures and fittings £'000	Motor vehicles £'000	Equipment £'000	Totals £'000
Cost				
At 1 April 2022	24,591	105	80	200,068
Additions	489	-	14	14,021
Disposals	-	(5)	-	(4,569)
At 31 March 2023	<u>25,080</u>	<u>100</u>	<u>94</u>	<u>209,520</u>
Depreciation				
At 1 April 2022	-	87	77	4,164
Charge for year	-	4	2	6
Eliminated on disposal	-	(4)	-	(4)
At 31 March 2023	<u>-</u>	<u>87</u>	<u>79</u>	<u>4,166</u>
Net book value				
At 31 March 2023	<u>25,080</u>	<u>13</u>	<u>15</u>	<u>205,354</u>
At 31 March 2022	<u>24,591</u>	<u>18</u>	<u>3</u>	<u>195,904</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

10. **FIXED ASSET INVESTMENTS**

Company	Investments £'000
Cost	
At 1 April 2022 and 31 March 2023	<u>15,941</u>
Net book value	
At 31 March 2023	<u>15,941</u>
At 31 March 2022	<u>15,941</u>

The parent company has investments in the following subsidiary undertakings which principally affected the results or net assets of the group.

	Country of incorporation or principal business address	Principal activity	Holding of ordinary shares %
Ambassador Hotels (Bournemouth) Limited	England and Wales	Holding company	100
Ambassador (East Cliff) Limited	England and Wales	Hoteliers	100
Britannia Centre Limited	England and Wales	Dormant	100
Britannia Adelphi Hotel Limited	England and Wales	Dormant	100
Gold Diamond D Hollins Hall 2005 Ltd	British Virgin Island	Hoteliers	100
Gold Diamond D Newcastle Gosforth Park 2005 Ltd	British Virgin Island	Hoteliers	100
Gold Diamond D Meon Valley 2005 Ltd	British Virgin Island	Hoteliers	100
Gold Diamond D Sprowston Manor 2005 Ltd	British Virgin Island	Hoteliers	100
Gold Diamond D Sunderland 2005 Ltd	British Virgin Island	Hoteliers	100

All of the subsidiaries are directly owned by Britannia Hotels Limited, apart from Ambassador (East Cliff) Limited. Britannia Hotels Limited has a direct holding of 5% in Ambassador (East Cliff) Limited and an indirect holding of 100% by virtue of the fact that Ambassador Hotels (Bournemouth) Limited holds the other 95%. The registered address for these subsidiaries is: 253 Hale Road, Hale, Altrincham, WA15 8RE

Britannia Hotels Limited

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

11. STOCKS

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Development properties	2,572	2,572	2,572	2,572
Wet stocks	665	622	510	475
Food stocks	433	299	337	219
Other	<u>72</u>	<u>95</u>	<u>-</u>	<u>-</u>
	<u>3,742</u>	<u>3,588</u>	<u>3,419</u>	<u>3,266</u>

Stock recognised in group cost of sales during the year as an expense was £10,771,000 (2022:£7,717,000). An impairment loss of £nil (2022: £nil) was recognised in cost of sales against stock during the year due to slow moving and obsolete stock.

12. DEBTORS

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	1,174	404	988	223
Amounts owed by group undertakings	-	-	21,496	17,761
Other debtors	13,395	17,456	12,824	16,905
Called up share capital not paid	5	5	4	4
Prepayments and accrued income	<u>1,274</u>	<u>764</u>	<u>995</u>	<u>626</u>
	<u>15,848</u>	<u>18,629</u>	<u>36,307</u>	<u>35,519</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>25,009</u>	<u>24,928</u>
Aggregate amounts	<u>15,848</u>	<u>18,629</u>	<u>61,316</u>	<u>60,447</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	-	-	6,640	2,073
Trade creditors	4,044	3,573	3,237	2,755
Amounts owed to group undertakings	-	-	37,989	37,989
Corporation Tax	4,238	4,050	4,194	4,128
Social security and other taxes	877	569	471	323
VAT	1,827	361	1,827	361
Other creditors	15,148	12,066	8,893	6,685
Accrued expenses	<u>10,832</u>	<u>9,379</u>	<u>8,666</u>	<u>7,575</u>
	<u>36,966</u>	<u>29,998</u>	<u>71,917</u>	<u>61,889</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Directors' loan accounts	<u>27,655</u>	<u>37,506</u>	<u>27,654</u>	<u>37,505</u>

Directors' loan account balances are unsecured and interest free.

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	2023	As restated 2022
	£'000	£'000
Within one year	1,360	1,360
Between one and five years	5,438	5,438
In more than five years	<u>72,726</u>	<u>74,086*</u>
	<u>79,524</u>	<u>85,534</u>

Company

	2023	As restated 2022
	£'000	£'000
Within one year	1,102	1,102
Between one and five years	4,407	4,407
In more than five years	<u>61,056</u>	<u>62,158*</u>
	<u>66,565</u>	<u>67,666</u>

Group:

*For the period ended 31 March 2022, the value of the non-cancellable operating leases 'in more than five years' was incorrect and should be restated as £74,086 (£'000). The disclosed balance is undiscounted contractual cash flows of lease liabilities.

This is due to the incorrect term being used for the operating lease within the Group.

Company:

*For the period ended 31 March 2022, the value of the non-cancellable operating leases 'in more than 5 years' was incorrect and should be restated as £62,158 (£'000). The disclosed balance is undiscounted contractual cash flows of lease liabilities.

This is due to the incorrect term being used for the operating lease within the Company.

16. FINANCIAL INSTRUMENTS

	<u>Group</u>		<u>Company</u>	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost	78,193	57,590	111,062	88,737
Financial liabilities measured at amortised cost	57,678	62,524	93,080	94,582

Financial assets measured at amortised cost comprise of cash and debtors. Financial liabilities measured at amortised cost comprise of loans and creditors.

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deferred tax	<u>14,882</u>	<u>14,441</u>	<u>13,834</u>	<u>13,636</u>
Other provisions				
Onerous lease	<u>20,433</u>	<u>20,056</u>	<u>20,433</u>	<u>20,056</u>
Aggregate amounts	<u>35,315</u>	<u>34,497</u>	<u>34,267</u>	<u>33,692</u>
Group			Deferred tax	Other provisions
			£'000	£'000
Balance at 1 April 2022			14,441	20,056
Provided during year			<u>441</u>	<u>377</u>
Balance at 31 March 2023			<u>14,882</u>	<u>20,433</u>
Company			Deferred tax	Other provisions
			£'000	£'000
Balance at 1 April 2022			13,636	20,056
Provided during year			<u>198</u>	<u>377</u>
Balance at 31 March 2023			<u>13,834</u>	<u>20,433</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

17. **PROVISIONS FOR LIABILITIES - continued**

Group	2023 £'000	2022 £'000
Fixed asset timing differences	15,034	15,034
Short term timing differences	(55)	(496)
Losses	(97)	(97)
	<u>14,882</u>	<u>14,441</u>

Company	2023 £'000	2022 £'000
Fixed asset timing differences	14,127	14,127
Short term timing differences	(293)	(491)
	<u>13,834</u>	<u>13,636</u>

18. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2023	2022
Number:	Class:		£'000	£'000
30,103	Ordinary shares	£1	<u>30</u>	<u>30</u>

19. **RESERVES**

Group	Retained earnings £'000	Revaluation reserve £'000	Other reserves £'000	Totals £'000
At 1 April 2022	181,903	12,770	7,064	201,737
Profit for the year	<u>31,692</u>			<u>31,692</u>
At 31 March 2023	<u>213,595</u>	<u>12,770</u>	<u>7,064</u>	<u>233,429</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued -
for the Year Ended 31 March 2023

19. **RESERVES - continued**

Company

	Retained earnings £'000	Revaluation reserve £'000	Totals £'000
At 1 April 2022	155,485	15,910	171,395
Profit for the year	<u>31,545</u>	<u> </u>	<u>31,545</u>
At 31 March 2023	<u>187,030</u>	<u>15,910</u>	<u>202,940</u>

Retained earnings included all current and prior year retained profit and losses.

Called up share capital represents the nominal value of shares that have been issued.

Revaluation reserve represents the increase in the fair value of properties.

Other reserves represents the acquisition of two entities in a share for share exchange on 1 April 2009.

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

20. RELATED PARTY DISCLOSURES

During the year, the group entered into transactions with various businesses in which the shareholders, A. Langsam and Hawksford Jersey Limited as trustee of The Moravcik Trust and/or directors, are materially interested as detailed below. The company has taken advantage of the exemption conferred by section 33.1A of FRS102 not to disclose transactions with other wholly owned subsidiaries within the group.

Business	Nature of entity	Interest as proprietors
A Langsam Hoteliers	Partnership	A. Langsam
A. Langsam Estate Agents	Partnership	A. Langsam
Company	Nature of entity	Interested as shareholder/member
Britannia Jinky Jersey Limited	Limited Company	A. Langsam
Britannia Hotels (Fylde) Limited	Limited Company	A. Langsam
Britannia Hotels Payroll Limited	Limited Company	A. Langsam
St Peter's Court (Bosworth) Flat Management Company Limited	Limited Company	A. Langsam
Britannia Hotels No.2 Limited	Limited Company	A. Langsam

Included in other debtors and (creditors) are the following balances:

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
A. Langsam - Hoteliers	8,139	13,005	8,136	13,034
A. Langsam Estate Agents	707	7	707	7
St Peter's Court (Bosworth) Flat Management Company Limited	(2)	(14)	(2)	(14)
Britannia Jinky Jersey Limited	979	(317)	979	(317)
Britannia Hotels (Fylde) Limited	1,182	760	1,182	760
Britannia Hotels Payroll Limited	1,675	2,542	1,684	2,549
Britannia Hotels No.2 Limited	<u>(14,225)</u>	<u>(10,787)</u>	<u>(8,173)</u>	<u>(5,713)</u>

Britannia Hotels Limited

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

RELATED PARTY DISCLOSURES - continued

During the year the group had the following transactions with related parties:

Entity	2023		2022	
	Charged to/(by)		Charged to/(by)	
	£'000	£'000	£'000	£'000
A Langsam Hoteliers	18,626	(23,492)	30,804	(28,575)
Britannia Jinky Jersey Limited	2,493	(1,198)	1,086	(1,687)
Britannia Hotels (Fylde) Limited	1,658	(1,236)	1,918	(3,275)
Britannia Hotels No.2 Limited	165,004	(175,923)	125,028	(133,837)
Britannia Hotels Payroll Limited	6,551	(7,419)	8,210	(6,893)

During the year the company had the following transactions with related parties:

Entity	2023		2022	
	Charged to/(by)		Charged to/(by)	
	£'000	£'000	£'000	£'000
A Langsam Hoteliers	18,504	(23,402)	30,686	(28,410)
Britannia Jinky Jersey Limited	2,493	(1,198)	1,086	(1,687)
Britannia Hotels (Fylde) Limited	1,658	(1,236)	1,918	(3,275)
Britannia Hotels No.2 Limited	134,413	(142,833)	97,549	(103,780)
Britannia Hotels Payroll Limited	6,536	(7,401)	8,196	(6,868)

Other movements in the balances shown above relate to their settlement in the year. Transactions with related parties are presented on a gross basis showing inflows and outflows separately where they relate to transactions that are similar in nature. Transactions with related parties are presented inclusive of VAT inline with balances shown on the statement of financial position as well as other movements that are not reflected in the income statement.

Management determine that key management personnel are the directors of the Company whose remuneration is disclosed in note 4.

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are A. Langsam and Hawksford Jersey Limited as trustee of The Moravcik Trust by virtue of their shareholdings in the company.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

22. **RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS**

	2023	2022
	£'000	£'000
Profit for the financial year	31,692	23,791
Depreciation charges	1,108	1,121
Other non- cash movements	(8,200)	-
Finance income	(743)	(13)
Taxation	<u>7,679</u>	<u>9,564</u>
	31,536	34,463
Increase in stocks	(154)	(189)
Decrease/(increase) in trade and other debtors	2,781	(1,236)
Increase/(decrease) in trade and other creditors	<u>7,157</u>	<u>(9,345)</u>
Cash generated from operations	<u>41,320</u>	<u>23,693</u>

23. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year-ended 31 March 2023

	31/3/23	1/4/22
	£'000	£'000
Cash and cash equivalents	<u>63,624</u>	<u>39,730</u>

Year ended 31 March 2022

	31/3/22	1/4/21
	£'000	£'000
Cash and cash equivalents	<u>39,730</u>	<u>17,332</u>

Directors loan balances under and over one year are disclosed in the creditors notes 11 and 12. The movements are shown in the cash flow statement or disclosed separately for none cash movements. During the year non-cash movements with directors totalled £8,200,000 (2022: £nil).

24. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/22	Cash flow	At 31/3/23
	£'000	£'000	£'000
Net cash			
Cash at bank and in hand	<u>39,730</u>	<u>23,894</u>	<u>63,624</u>
	<u>39,730</u>	<u>23,894</u>	<u>63,624</u>
Total	<u>39,730</u>	<u>23,894</u>	<u>63,624</u>