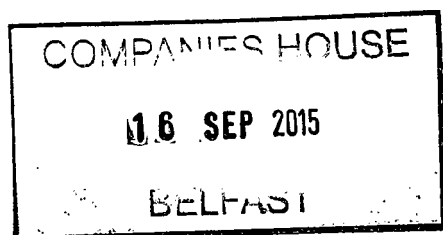


# Chester International Hotel Limited

Annual report and financial statements

Year ended 31 December 2014

Company registration number: 01999608



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# Chester International Hotel Limited

## Annual report and financial statements

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# Chester International Hotel Limited

## Directors and other information

### **Directors**

D Arzi  
J Braidley

### **Secretary**

-

### **Registered office**

Queens Court  
9-17 Eastern Road  
Romford  
Essex  
RM1 3NG

### **Auditor**

KPMG  
Chartered Accountants  
Stokes House  
17/25 College Square East  
Belfast  
BT1 6DH

### **Registered number**

01999608

# Chester International Hotel Limited

## Strategic report

The directors present their strategic report for the year ended 31 December 2014.

### Principal activity

The principal activity of the company is the ownership and management of a hotel.

On 8 August 2014 the company, along with a number of others formerly owned by QMH Limited, was acquired by Bryant Park Hospitality Limited.

### Business review

The results for the year are set out in the profit and loss account on page 9 and in the related notes.

Trading results for the year ended 31 December 2014 are consistent with those of the prior year. Turnover increased by 1% and operating profit margins were maintained at 15%.

The company remains in a strong position with net assets at 31 December 2014 of £20,614k (2013: £19,825k).

### Principal risks and uncertainties

The company is a subsidiary of Bryant Park Hospitality Limited and as such, the principal risks and uncertainties of the company are the same as those facing the wider group.

The management of the group's business and execution of the group's strategy are subject to a number of risks. The key risks and uncertainties currently judged to have the greatest impact on the group's performance include:

- Employee retention;
- Competition from other hotels; and
- Market risks – hotels may be adversely impacted by changes in or failure to comply with regulations. The hotels operate under franchise licenses which require adherence to quality standards and criteria.

### Financial risk management

The company's operations expose it to a variety of financial risks which include liquidity and credit risk. Working capital requirements are financed with retained earnings and borrowings from other group companies. Credit risk is managed via a formal credit policy.

Given the size of the company and wider group, the directors have not delegated responsibility for monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the group's finance department.

# Chester International Hotel Limited

## Strategic report *(continued)*

### **Key performance indicators**

The directors are of the opinion that analysis using KPIs assists with their understanding of the development, performance and position of the business. Key performance indicators used by management include occupancy statistics, average daily rates, revenue per room and operating margins. Such indicators are not presented as the directors consider their disclosure to be prejudicial to the company's interests.

### **Future outlook**

Competition in the marketplace remains strong, however the directors consider both the results for the year and trading prospects to be satisfactory. It is the directors' intention to continue to develop the present activities of the company and wider group.

On behalf of the board

  
J Braidley  
Director

8.9. 2015

# Chester International Hotel Limited

## Directors' report

The directors present their report for the year ended 31 December 2014.

### Dividends

No dividends were paid in the year (2013: £nil).

### Directors

The directors who held office during the year were as follows:

M Quinn (appointed 1 April 2014, resigned 8 August 2014)  
M Rosenberg (resigned 1 April 2014)  
S Teasdale (resigned 8 August 2014)  
D Arzi (appointed 8 August 2014)  
J Bradley (appointed 8 August 2014)

S Coughlan resigned as company secretary on 8 August 2014 and has not been replaced to date.

### Political donations

The company made no political donations during the year (2013: £nil).

### Financial instruments

The company is exposed to the usual credit and cash flow risks associated with selling on credit and manages this risk through the company's credit policy. This policy is to finance working capital requirements with retained earnings and borrowings from other group companies.

### Employee involvement

Formal employee representatives will be elected in the coming weeks to enable each hotel within the group to have a formal vehicle through which to communicate and consult with employees. Ongoing effort is made to keep employees informed via an online communications hub, regular team briefings and employee engagement surveys.

### Employees with disabilities

The company recognises its obligations towards people with disabilities and its policy is to encourage and assist the employment of people with disabilities, having regard to the demands of the company's operations and abilities to fulfil such demands. If existing employees become disabled, reasonable adjustments are made to allow appropriate work to be carried out and any necessary training provided. Employees with disabilities are encouraged and assisted in developing their career and skills within the company.

# Chester International Hotel Limited

## Directors' report *(continued)*

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

KPMG were appointed auditor in the year.

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

On behalf of the board

  
J Bradley  
Director

8.9 2015

# Chester International Hotel Limited

## Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board

  
J Braidley  
Director

8.9.2015





**KPMG**  
**Audit**  
Stokes House  
17-25 College Square East  
Belfast BT1 6DH  
Northern Ireland

## Independent auditor's report to the members of Chester International Hotel Limited

We have audited the financial statements of Chester International Hotel Limited for the year ended 31 December 2014 which comprise the profit and loss account, statement of total recognised gains and losses, note of historical cost profits and losses, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

### Opinions and conclusions arising from our audit

#### *1 Our opinion on the financial statements is unmodified*

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### *2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below*

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### *3 We have nothing to report in respect of matters on which we are required to report by exception*

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of the above responsibilities.

### Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006.



**KPMG**  
**Audit**  
Stokes House  
17-25 College Square East  
Belfast BT1 6DH  
Northern Ireland

## Independent auditor's report to the members of Chester International Hotel Limited (*continued*)

### **Basis of our report, responsibilities and restrictions on use (*continued*)**

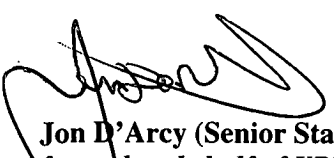
Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Jon D'Arcy (Senior Statutory Auditor)**  
**for and on behalf of KPMG, Statutory Auditor**  
Chartered Accountants  
Stokes House  
17-25 College Square East  
Belfast  
BT1 6DH

11 September 2015

# Chester International Hotel Limited

## Profit and loss account Year ended 31 December 2014

	<i>Note</i>	<b>2014 £000</b>	<b>2013 £000</b>
<b>Turnover</b>	2	<b>5,423</b>	5,362
Cost of sales		<b>(2,848)</b>	(2,794)
<b>Gross profit</b>		<b>2,575</b>	2,568
Administrative expenses		<b>(1,759)</b>	(1,721)
<b>Operating profit</b>		<b>816</b>	847
Interest receivable and similar income		-	-
Interest payable and similar charges		-	-
<b>Profit on ordinary activities before taxation</b>	5	<b>816</b>	847
Tax on profit on ordinary activities	6	-	-
<b>Profit for the financial year</b>	12	<b>816</b>	847

All amounts relate to continuing operations.

The notes on pages 12 to 22 form part of these financial statements.

# Chester International Hotel Limited

## Statement of total recognised gains and losses

*Year ended 31 December 2014*

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
<b>Profit for the financial year</b>	<b>816</b>	<b>847</b>
Unrealised (deficit)/surplus on revaluation of properties	(27)	360
<b>Total recognised gains and losses relating to the year</b>	<b>789</b>	<b>1,207</b>

## Note of historical cost profits and losses

*Year ended 31 December 2014*

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
<b>Reported profit on ordinary activities before taxation</b>	<b>816</b>	<b>847</b>
Difference between historical cost depreciation charge and actual depreciation charge on revalued amount	57	56
<b>Historical cost profit on ordinary activities before taxation</b>	<b>873</b>	<b>903</b>
<b>Historical cost profit for the year after taxation</b>	<b>873</b>	<b>903</b>

The notes on pages 12 to 22 form part of these financial statements.

# Chester International Hotel Limited

## Balance sheet


As at 31 December 2014

	Note	2014 £000	2014 £000	2013 £000	2013 £000
<b>Fixed assets</b>					
Tangible fixed assets	7		18,279		18,196
<b>Current assets</b>					
Stocks	8	28		30	
Debtors	9	6,564		5,780	
Cash at bank		2		6	
		<u>6,594</u>		<u>5,816</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(4,259)</u>		<u>(4,187)</u>	
<b>Net current assets</b>			<u>2,335</u>		<u>1,629</u>
<b>Net assets</b>			<u><u>20,614</u></u>		<u><u>19,825</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		5,500		5,500
Revaluation reserve	12		9,381		9,408
Profit and loss account	12		5,733		4,917
<b>Shareholders' funds</b>	13		<u><u>20,614</u></u>		<u><u>19,825</u></u>

These financial statements were approved by the board of directors on signed on its behalf by:

8.9.

2015 and

  
J Braidley  
Director

Company registration number: 01999608

The notes on pages 12 to 22 form part of these financial statements.

# Chester International Hotel Limited

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### ***Basis of preparation***

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with applicable accounting standards.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own consolidated financial statements.

As the company is a wholly owned subsidiary of Bryant Park Hospitality Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

#### ***Going concern***

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 2 and 3.

The external commercial environment is expected to remain competitive in 2015, however the directors remain confident that they will increase activities and improve current levels of performance in the future.

The company meets its day to day working capital requirements with borrowings from fellow group companies and has prepared cash flow forecasts which support the ability of the company to generate positive cash flows and satisfy working capital requirements for the foreseeable future, taking account of reasonable variances in trading performance and considering proposed changes to group funding structures.

After making enquiries the directors have a reasonable expectation that the company, based on forecasted cash flows, will have adequate resources to continue in operational existence for the foreseeable future.

Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

# Chester International Hotel Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### *Turnover*

Turnover is the total income receivable for goods supplied and services rendered, excluding VAT. Leisure club membership fees are recognised on a straight line basis over the membership period.

#### *Tangible fixed assets and depreciation*

Freehold land is not depreciated.

Leasehold land is depreciated over the unexpired period of the lease, or such longer period where the anticipated renewal is considered to be sufficiently certain and is calculated to reflect the consumption of value over the lease term.

Depreciation is calculated to write off the revalued amounts or cost, less estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. Buildings are separated into identifiable components with significantly different useful economic lives as follows:

Long term leasehold property	over 25 to 75 years
Short term leasehold property	over the unexpired period of the lease
Plant and equipment	over 3 to 15 years
Fixtures and fittings	over 4 to 7 years

Freehold properties or properties on leases with twenty five years or more to run at the balance sheet date are revalued at regular intervals with the resultant valuation included in the balance sheet. The directors consider that the valuation of these properties at regular intervals is most appropriate to the company's circumstances as it helps to ensure that values reported in the financial statements are representative of the market value of such properties. When the unexpired lease term falls below twenty five years, no further revaluations are carried out and the valuation in respect of that property is depreciated over the unexpired period of the lease. Other leasehold properties are included in the balance sheet at historical cost less depreciation.

Surpluses and deficits on the revaluation of the company's properties are taken to the revaluation reserve and reported in the statement of total recognised gains and losses, except where diminutions in value below historical cost on individual properties and diminutions clearly caused by the consumption of economic benefits are taken to the profit and loss account in accordance with FRS 11 *Impairment of fixed assets*. To the extent that such diminutions subsequently reverse, the reversal is credited to the profit and loss account where the diminution was originally recognised.

All other tangible fixed assets are recorded at historical cost, being their purchase cost, together with any incidental expenses of acquisition.

# Chester International Hotel Limited

## Notes (*continued*)

### 1 Accounting policies (*continued*)

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

#### *Debtors*

Debtors are stated after all known bad debts have been written off and specific provision has been made against all debts considered doubtful of collection.

#### *Leases*

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful economic life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account and the capital element which reduces the outstanding obligation for future instalments.

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### *Foreign currencies*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

#### *Taxation*

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.



# Chester International Hotel Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### Pensions

Both the company and certain individuals make contributions into either a Group Stakeholder Pension or a Group Personal Pension Fund. Company contributions are expensed through the profit and loss as incurred.

### 2 Turnover

All turnover derives from the company's principal activity which is carried out in the United Kingdom.

### 3 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Management, sales and administration staff	<b>76</b>	<b>74</b>

The aggregate payroll costs of these persons were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>1,273</b>	<b>1,250</b>
Social security costs	<b>85</b>	<b>81</b>
Pension costs	<b>32</b>	<b>26</b>
	<b>1,390</b>	<b>1,357</b>

### 4 Directors' remuneration

The directors did not receive any emoluments for services provided to the company during the year.

# Chester International Hotel Limited

## Notes (continued)

### 5 Notes to the profit and loss account

Profit on ordinary activities before taxation is stated after charging:

	2014 £000	2013 £000
Depreciation of tangible fixed assets:		
- owned by the company	560	528
Operating lease rentals:		
- land & buildings	90	90
- other assets	2	2
	<hr/>	<hr/>

Auditor remuneration is borne by BPH UK Limited, a fellow group undertaking.

### 6 Taxation

	2014 £000	2013 £000
(i) Analysis of charge in year		
<i>Corporation tax</i>		
Current tax on income for the year	-	-
Adjustment in respect of prior years	-	-
	<hr/>	<hr/>
<b>Total current tax</b>	-	-
<i>Deferred tax</i>		
Origination/reversal of timing differences	-	-
Adjustment in respect of prior years	-	-
	<hr/>	<hr/>
<b>Total deferred tax</b>	-	-
	<hr/>	<hr/>
<b>Tax on profit on ordinary activities</b>	-	-
	<hr/>	<hr/>

# Chester International Hotel Limited

## Notes (continued)

### 6 Taxation (continued)

#### (ii) Factors affecting the tax charge

The current tax charge for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	816	847
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	175	197
<i>Effects of:</i>		
Expenses not deductible for tax purposes	68	-
Capital allowances for the year in excess of depreciation	53	(197)
Group relief received not paid for	(296)	-
	<hr/>	<hr/>
<b>Total current tax charge</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>

#### (iii) Factors that may affect future tax charges

The company has not recognised a deferred tax asset in respect of accelerated capital allowances of £1,497k (2013: £1,270k). Subject to changes in tax legislation, the directors are not certain that there will be sufficient taxable profits arising in the foreseeable future to utilise these unclaimed allowances. The directors have concluded that there is currently insufficient evidence to support recognition of a deferred tax asset.

Reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

# Chester International Hotel Limited

## Notes (continued)

### 7 Tangible fixed assets

	<i>Long leasehold land and buildings £000</i>	<i>Fixtures &amp; fittings £000</i>	<i>Total £000</i>
<b>Cost or valuation</b>			
At 1 January 2014	17,029	5,600	22,629
Additions	-	670	670
Disposals	-	-	-
Revaluations	(272)	-	(272)
<b>At 31 December 2014</b>	<b>16,757</b>	<b>6,270</b>	<b>23,027</b>
<b>Depreciation</b>			
At 1 January 2014	-	4,433	4,433
Charged during year	245	315	560
On disposals	-	-	-
Revaluations	(245)	-	(245)
<b>At 31 December 2014</b>	<b>-</b>	<b>4,748</b>	<b>4,748</b>
<b>Net book value:</b>			
<b>At 31 December 2014</b>	<b>16,757</b>	<b>1,522</b>	<b>18,279</b>
At 31 December 2013	17,029	1,167	18,196

#### Revaluations

The land and buildings class of fixed assets was revalued on 31 December 2014 by the directors who are internal to the company. The basis of this valuation was the directors' best estimate of existing use value, which they consider to be consistent with market value.

The last full valuation was carried out by Jones Lang Le Salle as at 31 December 2011.

In respect of the current year, a net deficit of £27k (2013: net surplus of £360k) arises on revaluation. All of this deficit (2013: surplus) including the elimination of depreciation charge on properties of £245k (2013: £243k) has been debited (2013: credited) to the revaluation reserve. This class of assets has a current value of £16,757k (2013: £17,029k) and a carrying amount at historical cost of £10,672k (2013: £10,807k). The depreciation on this historical cost is £3,235k (2013: £3,184k).

# Chester International Hotel Limited

## Notes (continued)

### 8 Stocks

	2014 £000	2013 £000
Stocks	28	30

### 9 Debtors

	2014 £000	2013 £000
Trade debtors	95	96
Amounts owed by group undertakings	6,399	5,620
Other debtors	3	-
Prepayments and accrued income	67	64
	<u>6,564</u>	<u>5,780</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### 10 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	117	123
Amounts owed to group undertakings	3,849	3,849
Other creditors	3	45
Accruals and deferred income	290	170
	<u>4,259</u>	<u>4,187</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

# Chester International Hotel Limited

## Notes (continued)

### 11 Called up share capital

	2014 £000	2013 £000
<i>Allotted, called up and fully paid:</i>		
5,500,003 ordinary shares of £1 each	5,500	5,500
	<u>5,500</u>	<u>5,500</u>

### 12 Reserves

	<i>Revaluation reserve £000</i>	<i>Profit and loss account £000</i>
At 1 January 2014	9,408	4,917
Profit for the financial year	-	816
Deficit on property revaluation	(27)	-
	<u>9,381</u>	<u>5,733</u>
<b>At 31 December 2014</b>	<b>9,381</b>	<b>5,733</b>

### 13 Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	19,825	18,618
Profit for the financial year	816	847
(Deficit)/surplus on property revaluation	(27)	360
	<u>20,614</u>	<u>19,825</u>
<b>Closing shareholders' funds</b>	<b>20,614</b>	<b>19,825</b>

# Chester International Hotel Limited

## Notes (continued)

### 14 Contingent liabilities

On 23 February 2011 the company entered into a guarantee providing a fixed charge over its assets, together with certain other subsidiary undertakings to secure a senior loan held by BPH Finance Number 1 Limited (formerly QMH Finance Number 1 Limited), which at 31 December 2013 amounted to £70,833k.

On 24 November 2004 the company entered into a guarantee providing fixed and floating charges over its assets, together with certain other subsidiary undertakings, to secure a mezzanine loan held by QMH Limited, which at 31 December 2013 amounted to £151,266k.

The above charges were released in full in the current year.

The company has no contingent liabilities at 31 December 2014.

### 15 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2013: £231k).

### 16 Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£000	£000	£000	£000
<i>Expiring:</i>				
Within one year	-	-	-	-
In the second to fifth year	-	-	2	2
After five years	90	90	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

### 17 Related party transactions

As the company is a wholly owned subsidiary of Bryant Park Hospitality Limited, it has taken advantage of the exemption in FRS 8 *Related party disclosures* not to disclose transactions or balances with wholly owned subsidiaries which form part of the group.

# Chester International Hotel Limited

Notes *(continued)*

## **18 Ultimate parent undertaking and controlling party**

The company's immediate parent undertaking is BPH Finance Number 1 Limited, a company incorporated in England, which is a subsidiary of Bryant Park Hospitality Limited, a company incorporated in the Cayman Islands. The share capital of Bryant Park Hospitality Limited is indirectly owned by Maples and Calder which is considered to be the ultimate parent undertaking.

The ultimate controlling parties are Marathon European CRE Opportunity Fund and Marathon European Credit Opportunity Fund II.

The largest group in which the results of the company are consolidated is that headed by Bryant Park Hospitality Limited. The consolidated financial statements of this group are not available to the public.

The smallest group in which they are consolidated is that headed by BPH Finance Number 1 Limited. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Ownership of the company transferred to the current controlling parties from QMH Limited on 8 August 2014.