

Twenty Eight Hotels Limited

Report and financial statements

30 June 2016

Rees Pollock
Chartered Accountants



Twenty Eighteen Hotels Limited

COMPANY INFORMATION

Directors	J R C Holder D Pasher V A Tchenguiz M D Payne M D Watson
Company secretary	M D Payne
Registered number	04439749
Registered office	5th Floor Leconfield House Curzon Street London W1J 5JA
Independent auditor	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Barclays Bank plc 54 Lombard Street London EC3V 9EX

DIRECTORS' REPORT
for the year ended 30 June 2016

The directors present their report and the audited financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the company during the year was that of the provision of management services to related undertakings.

Directors

The directors who served during the year were:

J R C Holder
D Pasher
V A Tchenguiz
M D Payne
M D Watson

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Twenty Eighteen Hotels Limited

DIRECTORS' REPORT
for the year ended 30 June 2016

Auditor

The auditor, Rees Pollock, have expressed their willingness to continue in office.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board and signed on its behalf.



M D Payne
Director

Date: 27 March 2017

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF TWENTY EIGHTEEN HOTELS LIMITED**

We have audited the financial statements of Twenty Eighteen Hotels Limited for the year ended 30 June 2016, set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Alexander Macpherson (Senior Statutory Auditor)
for and on behalf of
Rees Pollock, Statutory Auditor

27 March 2017

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2016

	Note	2016 £	2015 £
TURNOVER	1	529,382	502,216
Cost of sales		<u>(526,148)</u>	<u>(488,121)</u>
GROSS PROFIT	2	3,234	14,095
Administrative expenses		<u>(3,407)</u>	<u>(4,926)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(173)	9,169
Tax on (loss)/profit on ordinary activities	4	<u>(38)</u>	<u>(2,278)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(211)</u></u>	<u><u>6,891</u></u>

The notes on pages 6 to 8 form part of these financial statements.

Twenty Eight Hotels Limited
Registered number: 04439749

BALANCE SHEET
as at 30 June 2016

	Note	£	2016 £	£	2015 £
CURRENT ASSETS					
Debtors	5	2		2,455	
Cash in hand		1,379		3,384	
		<u>1,381</u>		<u>5,839</u>	
CREDITORS: amounts falling due within one year	6	<u>(6,489)</u>		<u>(10,736)</u>	
NET CURRENT LIABILITIES			<u>(5,108)</u>		<u>(4,897)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(5,108)</u>		<u>(4,897)</u>
CAPITAL AND RESERVES					
Called up share capital	7		2		2
Profit and loss account	8		<u>(5,110)</u>		<u>(4,899)</u>
SHAREHOLDERS' DEFICIT	9		<u>(5,108)</u>		<u>(4,897)</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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



M D Payne
Director

Date: 27 March 2017

The notes on pages 6 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Going concern

As set out in note 10 the company derives its turnover wholly from contracts with related undertakings). Accordingly the company's ability to continue as a going concern is intimately connected with the financial health of the wider group of which the company is part (see note 11).

The directors note that the wider group has certain debt financing that is potentially subject to repayment within twelve months of the balance sheet date. The directors have a valid expectation that automatic renewal conditions will be met or waived and, as such, this repayment date will be extended such that it falls not less than twelve months from the date of approval of these financial statements.

Additionally, the directors note that the company has limited exposure to third party liabilities, with the majority of its expenses being derived from management services provided by related parties (see note 10). The directors have a valid expectation that, in the event that turnover was curtailed due to the group debt being called, there would be a similar fall in expenditure. Consequently, the directors believe that the company would be able to meet its obligations as they fall due for a period of not less than twelve months from the date of approval of these financial statements.

The company therefore has a reasonable expectation that the company can operate as a going concern for a period not less than twelve months from the date of approval of these financial statements. Accordingly, the directors consider it is appropriate to adopt the going concern basis in preparing the financial statements.

1.3 Cash flow

The financial statements do not include a Cash Flow Statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

2. Operating profit

Operating profit is stated after charging:

	2016 £	2015 £
Auditor's remuneration	3,000	3,000

3. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

4. Taxation

	2016 £	2015 £
UK corporation tax charge on (loss)/profit for the year	38	2,278

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	(173)	9,169
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	(35)	1,925
Effects of:		
Expenses not deductible for tax purposes	73	380
Adjustment relating to change in tax rates	-	(27)
Current tax charge for the year (see note above)	38	2,278

5. Debtors

	2016 £	2015 £
Trade debtors	-	2,453
Called up share capital not paid	2	2
	2	2,455

6. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	3,600
Corporation tax	38	2,278
Other taxation and social security	451	1,858
Other creditors	6,000	3,000
	6,489	10,736

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

7. Share capital

	2016 £	2015 £
Allotted and called up		
2 Ordinary shares of £1 each	2	2

8. Reserves

	Profit and loss account £
At 1 July 2015	(4,899)
Loss for the financial year	(211)
At 30 June 2016	(5,110)

9. Reconciliation of movement in shareholders' deficit

	2016 £	2015 £
Opening shareholders' deficit	(4,897)	(11,788)
(Loss)/profit for the financial year	(211)	6,891
Closing shareholders' deficit	(5,108)	(4,897)

10. Related party transactions

The company is contracted to act on behalf of Zinc Hotels Limited, a fellow subsidiary undertaking, and previously by Tindall Hotels Limited Partnership, a related party by virtue of common control. All turnover relates to these contracts and during the year the company recorded turnover of £nil (2015: £238,277) from Tindall Hotels Limited Partnership and £529,382 (2015: £263,939) from Zinc Hotels Limited in relation to management services provided.

During the year, the company incurred costs relating to management services of £278,074 (2015: £230,779) from Vincos Limited and £248,074 (2015: £257,342) from Farnsworth Limited. V Tchenguiz is a director of Vincos Limited and D Pasher is a director of Farnsworth Limited.

11. Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent company is Top Zinc Limited, a company registered in Jersey. There is no ultimate controlling party.