

Registered number: 5846574

Millennium & Copthorne (Jersey Holdings) Limited

Unaudited

Annual report and financial statements

For the Year Ended 31 December 2017

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Millennium & Copthorne (Jersey Holdings) Limited

Company Information

Directors	Copthorne Hotels Limited C A Harrington J M Grech
Company secretary	Copthorne Hotels Limited
Registered number	5846574
Registered office	Victoria House Victoria Road Horley Surrey RH6 7AF

Millennium & Copthorne (Jersey Holdings) Limited

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Millennium & Copthorne (Jersey Holdings) Limited

**Strategic report
For the Year Ended 31 December 2017**

Business review

Millennium & Copthorne (Jersey Holdings) Limited ('the Company') is an indirect subsidiary of Millennium & Copthorne Hotels plc. The Directors consider the ultimate holding and controlling company to be Hong Leong Investment Holdings Pte Limited.

The profit on ordinary activities before taxation for the year was £2,822,000 (2016: profit before taxation £3,314,000).

The profit for the year after taxation amounted to £2,279,000 (2016: profit after taxation £2,651,000).

Principal risks and uncertainties

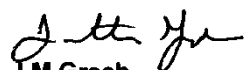
The management of the business and execution of the Company's strategy are subject to a number of risks which impacts the recoverable amount of the Company's assets.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Millennium & Copthorne Hotels plc group ('the Group') and are not separately managed. Further discussion of these risks and uncertainties, and others, in context of the Millennium & Copthorne Hotels plc group ('the Group') as a whole, is provided on pages 23 to 30 of the Group's annual report for the year ended 31 December 2017 which does not form part of this report.

Financial key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis of key performance indicators is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 26 September 2018 and signed on its behalf.



J M Grech
Director

Millennium & Copthorne (Jersey Holdings) Limited

**Directors' report
For the Year Ended 31 December 2017**

The Directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the Company is that of a financing company.

Results and dividends

The profit for the year, after taxation, amounted to £2,279,000 (2016: *profit after taxation* £2,651,000).

No dividend was paid during the year (2016: £Nil). No final dividend is proposed (2016: £Nil).

Directors

The Directors who served during the year were:

Copthorne Hotels Limited
C A Harrington
J M Grech

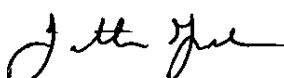
Going concern

The Directors consider that the Company has access to sufficient funding to meet its needs for the reasons set out in Note 1 to the financial statements. Accordingly, the Directors have prepared the financial statements on a going concern basis.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on 26 September 2018 and signed on its behalf.



J M Grech
Director

Millennium & Copthorne (Jersey Holdings) Limited

**Directors' responsibilities statement
For the Year Ended 31 December 2017**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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;
- state whether applicable UK 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 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 to 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.

Millennium & Copthorne (Jersey Holdings) Limited

**Statement of comprehensive income
For the Year Ended 31 December 2017**

	Note	2017 £000	2016 £000
Interest receivable and similar income	3	2,822	3,314
Profit before tax		2,822	3,314
Tax on profit	4	(543)	(663)
Profit for the financial year		2,279	2,651

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£000NIL).

The notes on pages 7 to 11 form part of these financial statements.

Millennium & Copthorne (Jersey Holdings) Limited
Registered number: 5846574

Statement of financial position
As at 31 December 2017


	Note	2017 £000	2016 £000
Non current assets			
Debtors: amounts falling due after more than one year	5	219,501	219,501
		<u>219,501</u>	<u>219,501</u>
Current assets			
Debtors: amounts falling due within one year	5	11,944	9,122
		<u>11,944</u>	<u>9,122</u>
Creditors: amounts falling due within one year		(1,206)	(663)
		<u>(1,206)</u>	<u>(663)</u>
Net current assets		10,738	8,459
Net assets		230,239	227,960
Capital and reserves			
Called up share capital	7	206,220	206,220
Profit and loss account		24,019	21,740
		<u>230,239</u>	<u>227,960</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2018.


J M Grech
Director

Millennium & Copthorne (Jersey Holdings) Limited

**Statement of changes in equity
For the Year Ended 31 December 2017**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2017	206,220	21,740	227,960
Comprehensive income for the year			
Profit for the year	-	2,279	2,279
At 31 December 2017	<u>206,220</u>	<u>24,019</u>	<u>230,239</u>

**Statement of changes in equity
For the Year Ended 31 December 2016**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2016	206,220	19,089	225,309
Comprehensive income for the year			
Profit for the year	-	2,651	2,651
At 31 December 2016	<u>206,220</u>	<u>21,740</u>	<u>227,960</u>

The notes on pages 7 to 11 form part of these financial statements.

Millennium & Copthorne (Jersey Holdings) Limited

**Notes to the financial statements
For the Year Ended 31 December 2017**

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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101.

- the requirements of IFRS 7 Financial Instruments' Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

1.3 Going concern

The financial statements have been prepared on the going concern basis, which the Directors consider to be appropriate as the Company has adequate resources to continue in operational existence for the foreseeable future.

1.4 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.

Millennium & Copthorne (Jersey Holdings) Limited

Notes to the financial statements For the Year Ended 31 December 2017

1. Accounting policies (continued)

1.5 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company recognises its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

Other than the financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises only in-the-money derivatives. These are carried in the Statement of financial position at fair value with changes in fair value recognised in the Statement of comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

Millennium & Copthorne (Jersey Holdings) Limited

**Notes to the financial statements
For the Year Ended 31 December 2017**

1. Accounting policies (continued)

1.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

1.7 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2016 - £NIL).

3. Interest receivable

	2017 £000	2016 £000
Interest receivable from group companies	2,822	3,314
	<u>2,822</u>	<u>3,314</u>

4. Taxation

	2017 £000	2016 £000
Corporation tax		
Group relief claimed in current year	543	663
Total current tax	<u>543</u>	<u>663</u>

Millennium & Copthorne (Jersey Holdings) Limited

Notes to the financial statements
For the Year Ended 31 December 2017

4. Taxation (continued)

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00 %).

Factors that may affect future tax charges

The headline rate of UK corporation tax effective from 1 April 2017 is 19% (reduced from 20%). The UK government has introduced additional legislation, which has been enacted, to further reduce the headline rate of UK corporation tax from 19% to 17% from 1 April 2020. This will reduce the company's future current tax charge accordingly.

5. Debtors

	2017 £000	2016 £000
Due after more than one year		
Amounts owed by group undertakings	219,501	219,501
	<u>219,501</u>	<u>219,501</u>
	2017 £000	2016 £000
Due within one year		
Amounts owed by group undertakings	11,944	9,122
	<u>11,944</u>	<u>9,122</u>

Millennium & Copthorne (Jersey Holdings) Limited

Notes to the financial statements
For the Year Ended 31 December 2017

6. Financial instruments

	2017 £000	2016 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	231,445	228,623
	<u>231,445</u>	<u>228,623</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(663)	-
	<u>(663)</u>	<u>-</u>

Financial assets measured at amortised cost comprise intragroup loans.

7. Share capital

	2017 £000	2016 £000
Shares classified as equity		
Allotted, called up and fully paid		
206,220,001 ordinary shares of £1 each	<u>206,220</u>	<u>206,220</u>

8. Controlling party

The Directors consider the ultimate holding and controlling company to be Hong Leong Investment Holdings Pte Ltd incorporated in the Republic of Singapore. The accounts of the ultimate holding company, which heads the largest group in which the results of the Company are consolidated, are available to the public at The Accounting and Corporate Regulatory Authority, 10 Anson Road # 05 - 01/15, International Plaza, Singapore 079903.

The immediate holding and controlling company is Republic Hotels & Resorts Limited, a company incorporated in the Republic of Singapore. The smallest group in which the results of the Company are consolidated is headed by Millennium & Copthorne Hotels plc, a company registered in England and Wales. The consolidated accounts of Millennium & Copthorne Hotels plc are available at www.millenniumhotels.com.