

Z Hotels Management Limited

Financial Statements

For Filing with Registrar

For the year ended 31 March 2019

Company Registration No. 07039141 (England and Wales)

Z Hotels Management Limited

Company Information

Directors	J Goldstein B King R Meehan J Raymond
Company number	07039141
Registered office	45 Monmouth Street London WC2H 9DG
Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Z Hotels Management Limited

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Z Hotels Management Limited

Balance Sheet

As at 31 March 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	2		16,769		42,252
Current assets					
Debtors	3	2,419,036		1,559,832	
Cash at bank and in hand		22,831		26,644	
		<u>2,441,867</u>		<u>1,586,476</u>	
Creditors: amounts falling due within one year	4	<u>(103,638)</u>		<u>(417,429)</u>	
Net current assets			<u>2,338,229</u>		<u>1,169,047</u>
Total assets less current liabilities			<u>2,354,998</u>		<u>1,211,299</u>
Provisions for liabilities	5		-		(2,388)
Net assets			<u><u>2,354,998</u></u>		<u><u>1,208,911</u></u>
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			<u>2,354,898</u>		<u>1,208,811</u>
Total equity			<u><u>2,354,998</u></u>		<u><u>1,208,911</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 24 September 2019 and are signed on its behalf by:

R Meehan
Director

Company Registration No. 07039141

Z Hotels Management Limited

Notes to the Financial Statements

For the year ended 31 March 2019

1 Accounting policies

Company information

Z Hotels Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is 45 Monmouth Street, London, WC2H 9DG.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company's ultimate parent undertaking, Z Hotels HoldCo Limited, included the company in its consolidated financial statements. The consolidation financial statements of Z Hotels HoldCo Limited are prepared in accordance with FRS 102 and are available to the public from Companies House. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash flow statement and related notes;
- Key management personnel compensation; and
- Basic financial instruments.

1.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

Turnover comprises revenue recognised by the company in respect of management services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised in the period to which it relates and when the service has been provided.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	15% straight line
Fixtures and fittings	15% straight line
Computer equipment	15% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Z Hotels Management Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other or basic financial instruments at fair value.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Z Hotels Management Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Tangible fixed assets

	Office equipment	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 April 2018	4,265	161,334	54,077	219,676
Additions	-	-	4,115	4,115
At 31 March 2019	4,265	161,334	58,192	223,791
Depreciation and impairment				
At 1 April 2018	2,938	140,975	33,511	177,424
Depreciation charged in the year	153	20,359	9,086	29,598
At 31 March 2019	3,091	161,334	42,597	207,022
Carrying amount				
At 31 March 2019	1,174	-	15,595	16,769
At 31 March 2018	1,327	20,359	20,566	42,252

Z Hotels Management Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

3 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	25,092	19,872
Amounts due from group undertakings	2,370,582	1,518,948
Other debtors	22,281	21,012
	<u>2,417,955</u>	<u>1,559,832</u>
Deferred tax asset	1,081	-
	<u>2,419,036</u>	<u>1,559,832</u>

An impairment loss of £Nil (2018: £Nil) was recognised against debtors during the year.

4 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	7,423	12,670
Amounts due to group undertakings	4,680	218,297
Corporation tax	21,923	135,714
Other taxation and social security	53,712	33,660
Other creditors	15,900	17,088
	<u>103,638</u>	<u>417,429</u>

5 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Balances:				
Accelerated capital allowances	-	2,388	1,081	-
	<u>-</u>	<u>2,388</u>	<u>1,081</u>	<u>-</u>
Movements in the year:				2019 £
Liability at 1 April 2018				2,388
Credit to profit or loss				(3,469)
				<u>(1,081)</u>
Liability/(Asset) at 31 March 2019				<u>(1,081)</u>

Z Hotels Management Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

5 Deferred taxation (Continued)

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

6 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Matthew Meadows.

The auditor was Moore Kingston Smith LLP.

8 Financial commitments

A composite cross guarantee structure exists between Z Hotels Trading WB Limited, Z Hotels OCS Limited, Z Hotels OS Limited, Z Hotels LBS Limited, Z Hotels Old Street Limited, Z Hotels City Limited, Z Hotels Operations Limited, Z Hotels Management Contracts Limited and Z Hotels Management Limited. The aggregate amount outstanding under these agreements at the balance sheet date was £27,021,237 (2018: £10,623,947).

9 Related party transactions

As a wholly owned subsidiary of Z Hotels Holdco Limited, advantage has been taken of the exemption in FRS 102 (section 33) "Related Party Disclosure" in respect of the disclosures of transactions and balances with other wholly owned group undertakings as consolidated financial statements including the company are being prepared.

Included within debtors is an amount of £18,473 (2018: £Nil) due from companies under common control. During the year the company recognised income of £67,186 (2018: £Nil) from companies under common control.

No key management received remuneration from the company during the year or prior year.

Z Hotels Management Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

10 Parent company

The immediate parent company is Z Hotels Trading WB Limited. The ultimate controlling party is Z Hotels Holdco Limited.

The smallest and largest group undertakings for which group accounts have been drawn up is headed by Z Hotels Holdco Limited. Copies of the group financial statements can be obtained from Companies House.

Subsequent to the year end, the ultimate parent company became Z Hotels Group Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.