

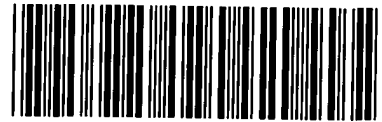
**COMPANIES HOUSE
EDINBURGH**

27 SEP 2018

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**Channings Hotel Limited
Filleter Financial Statements
For the year ended
31 December 2017**

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Channings Hotel Limited

Directors' Responsibilities Statement

Year ended 31 December 2017

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 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.

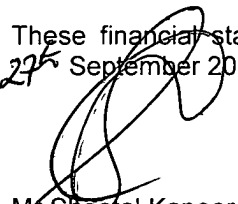
Channings Hotel Limited
Statement of Financial Position
Year ended 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	4,712,272	3,538,229
Current assets			
Stocks		—	10,800
Debtors	6	131,804	111,784
Cash at bank and in hand		165,725	337,237
		297,529	459,821
Creditors: amounts falling due within one year	7	(3,033,009)	(3,411,386)
Net current liabilities		(2,735,480)	(2,951,565)
Total assets less current liabilities		1,976,792	586,664
Provisions			
Taxation including deferred tax		—	(114,230)
Net assets		1,976,972	472,434
Capital and reserves			
Called up share capital		1	1
Revaluation reserve		2,548,774	1,030,661
Profit and loss account		(571,983)	(558,228)
Shareholders' funds		1,976,792	472,434

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 27 September 2018, and are signed on behalf of the board by:


Mr Sheetal Kapoor
Director

Company registration number: 07408721

Channings Hotel Limited

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 5-11 Lavington Street, Southwark, London, SE1 0NZ.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 5 for carrying amounts of tangible assets.

ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 6 for carrying amount of debtors.

Revenue recognition

Turnover represents amounts receivable from room revenue and income from food and beverage net of VAT.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period, and is charged in the Statement of Comprehensive Income. Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Channings Hotel Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Tangible assets

Tangible fixed assets are initially recognised at cost which is the purchase price plus any directly attributable costs. Subsequently tangible fixed assets are measured at cost less accumulated depreciation and impairment losses, except for freehold property which is measured using the revaluation model.

Freehold property is measured at fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made periodically ensuring the carrying amount does not differ materially from the fair value. Revaluation gains and losses are charged to other comprehensive income and accumulated in the revaluation reserve in equity.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 50 years straight line
Plant & machinery	- 3/6 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Pension costs

The company makes contributions to defined contribution pension schemes on behalf of certain employees. Contributions are charged to the profit and loss account in the period to which they relate.

Channings Hotel Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which include trade and other receivables and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade and other payables, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised through profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 33 (2016: 36).

5. Tangible assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2017	3,549,082	524,440	4,073,522
Disposals	–	(524,440)	(524,440)
Revaluations	1,163,190	–	1,163,190
At 31 December 2017	4,712,272	–	4,712,272
Depreciation			
At 1 January 2017	188,458	346,835	535,293
Charge for the year	70,013	58,757	128,770
Disposals	–	(405,592)	(405,592)
Revaluations	(258,471)	–	(258,471)
At 31 December 2017	–	–	–
Carrying amount			
At 31 December 2017	4,712,272	–	4,712,272
At 31 December 2016	3,360,624	177,605	3,538,229

The freehold property was disposed of subsequent to the year end. The valuation above reflects the sale price less costs of sale.

Channings Hotel Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

6. Debtors

	2017 £	2016 £
Trade debtors	40,517	75,187
Other debtors	91,287	36,597
	<u>131,804</u>	<u>111,784</u>

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	115,505	85,185
Amounts owed to group undertakings	2,887,824	3,203,260
Corporation tax	-	30,496
Social security and other taxes	20,156	58,215
Other creditors	9,524	34,230
	<u>3,033,009</u>	<u>3,411,386</u>

8. Summary audit opinion

The auditor's report was unqualified.

The senior statutory auditor was Jeremy Chittleburgh CA, for and on behalf of Chiene + Tait LLP.

9. Related party transactions

The company has taken advantage of the exemptions conferred by Section 33 of Financial Reporting Standard 102 from the requirements to make disclosures of transactions with entities that are part of the group on the grounds that voting rights in the company are 100% controlled within the group headed by Europoint Holdings Limited and the company is included in the consolidated financial statements.

10. Controlling party

The ultimate parent undertaking is Europoint Holdings Limited, a company registered in England and Wales.

The smallest group of which Channings Hotel Limited is a member for which group financial statements are prepared is The Edinburgh Collection Limited. The largest group of which Channings Hotel Limited is a member for which group financial statements are prepared is Europoint Holdings Limited. Copies of consolidated financial statements can be obtained from the registered office.

In the opinion of the directors, the ultimate controlling party is Mr Sheetal Kapoor.

11. Subsequent events

Subsequent to the year end the freehold property was sold.