SUPREME HOTELS LLP

REVISED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

TUESDAY

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COMPANIES HOUSE

SUPREME HOTELS LLP

INFORMATION

Designated Members

S N Boghani
N Boghani

LLP registered number

OC370921

Registered office

Haydon House, 296 Joel Street, Pinner, HA5 2PY

Trading address

22-28 Broadway, Westminster, London, SW1H 0BH

Independent auditors

RSM UK Audit LLP, Statutory Auditor, 25 Farringdon Street, London, EC4A 4AB

SUPREME HOTELS LLP

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MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The members present their annual report together with the audited financial statements of Supreme Hotels LLP (the "LLP") for the year ended 31 March 2017.

Principal activities

The principal objective of the limited liability partnership continued to be that of a hotel operator. The franchise agreement between Supreme Hotels LLP and Hilton terminated on 1 December 2017, and Supreme Hotels LLP ceased to operate that hotel on the same day.

Designated Members

S N Boghani and N Boghani were designated members of the LLP throughout the period.

Revised financial statements

The revised financial statements replace the original accounts for the year ended 31 March 2017 and as such are now the statutory financial statements of the LLP for that financial period. The revised financial statements have been prepared as at the date of the original accounts and not as at the date of the revision and accordingly do not deal with the events between these dates.

The members identified that the original financial statements did not comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008) because they were prepared on a non-going concern basis when it was the intentions of the Members to continue trading and therefore they should have been prepared on a going concern basis.

Members' drawings, contributions and repayment

Each Member shall receive monthly basic drawings of such sum as the Executive Committee determines from time to time.

If the management accounts show that for the relevant profit allocation period the drawings of any member's share of the profits for that profit allocation period together with any undrawn profits brought forward at the beginning of that profit allocation period then such member shall repay the excess forthwith.

There is no requirement for new member to subscribe a minimum level of capital, any amount required will be determined by the Executive Committee.

On retirement, capital is repaid to members.

MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members 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, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

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

Auditors

The auditors, RSM UK Audit LLP, Statutory Auditor, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 6/2/2018 and signed on their behalf by:

N Boghani

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUPREME HOTELS LLP

Opinion on the revised financial statements

We have audited the revised financial statements on pages 5 to 21. These revised financial statements replace the original financial statements approved by the members on 12 December 2017. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

In our opinion, the revised financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the limited liability partnership's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, seen as at the date the original financial statements were approved;
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

In our opinion, the original financial statements for the year ended 31 March 2017 failed to comply with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 in the respects identified by the members in the statement contained on page 1 to these revised financial statements.

Emphasis of matter – Revision of basis of preparation of accounts

In forming our opinion on the revised financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the members' report on page 1 and note 2.2 to the revised financial statements concerning the need to revise the basis of preparation of the financial statement from a non-going concern basis to a going concern basis. The original financial statements were approved on 12 December 2017 and our previous report was signed on that date. We have not performed a subsequent events review for the periods from the date of our previous report to the date of this report.

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 http://www.frc.org.uk/auditscopeukprivate. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the members are appropriate and have been properly made.

We also report to you our opinion as to whether the revised financial statements are prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008. We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 in the respects identified by the members.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUPREME HOTELS LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 applied to limited liability partnerships 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 revised financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 1, the members are responsible for the preparation of the revised 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 revised 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 (APB's) Ethical Standards for Auditors.

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 as it has effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP.

Suneel Gupta (Senior statutory auditor)

for and on behalf of
RSM UK Audit LLP, Statutory Auditor

Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date: 7 February 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Turnover	4	**21,076,150**	*19,407,733*
Cost of sales		**(1,420,374)**	*(1,465,985)*
Gross profit		**19,655,776**	*17,941,748*
Administrative expenses		**(27,052,482)**	*(23,175,965)*
Operating loss	5	**(7,396,706)**	*(5,234,217)*
Interest receivable and similar income	9	**(212,000)**	*212,001*
Interest payable and expenses	10	**(24,527)**	*(1,814)*
Loss for the year before members' remuneration and profit shares		**(7,633,233)**	*(5,024,030)*
Loss for the year before members' remuneration and profit shares		**(7,633,233)**	*(5,024,030)*
Members' remuneration charged as an expense		**7,633,233**	*5,024,030*
Results for the year available for discretionary division among members		**-**	*-*

SUPREME HOTELS LLP
REGISTERED NUMBER: OC370921

BALANCE SHEET
AS AT 31 MARCH 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible assets	11		-		606,921
			-		606,921
Current assets					
Stocks	12	89,849		93,122	
Debtors	13	7,909,832		13,788,504	
Cash at bank and in hand	14	16,210		17,584	
		8,015,891		13,899,210	
Creditors: Amounts Falling Due Within One Year	15	(8,015,891)		(9,094,691)	
Net current assets			-		4,804,519
Total assets less current liabilities			-		5,411,440
Net assets			-		5,411,440
Represented by:					
Loans and other debts due to members within one year					
Other amounts	17		-		5,411,440
			-		5,411,440
			-		5,411,440
Total members' interests					
Amounts due from members (included in debtors)	13		(2,226,793)		(5,000)
Loans and other debts due to members	17		-		5,411,440
			(2,226,793)		5,406,440

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 6/2/2018

N Boghani
Designated member

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2017

	DEBT Loans and other debts due to members less any amounts due from members in debtors	DEBT Loans and other debts due to members less any amounts due from members in debtors
	Other amounts	Total
	£	£
	10,435,470	10,435,470
Amounts due to members		
Amounts due from members	(5,000)	(5,000)
	10,430,470	10,430,470
Balance at 1 April 2015	(5,024,030)	(5,024,030)
Members' remuneration charged as an expense	5,406,440	5,406,440
Members' interests after profit for the year	5,411,440	5,411,440
Amounts due to members		
Amounts due from members	(5,000)	(5,000)
	5,406,440	5,406,440
Balance at 31 March 2016	(7,633,233)	(7,633,233)
Members' remuneration charged as an expense	(2,226,793)	(2,226,793)
Members' interests after loss for the year	(2,226,793)	(2,226,793)
Amounts due from members		
	(2,226,793)	(2,226,793)
Balance at 31 March 2017		

Included within amount due to member is a loan of £5,000 loan due from members.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Cash flows from operating activities		
Loss for the financial year	**(7,633,233)**	*(5,024,030)*
Adjustments for:		
Depreciation of tangible assets	**80,545**	*63,312*
Impairments of fixed assets	**699,835**	-
Retention write off	**7,500,000**	-
Interest payable	**24,527**	*1,814*
Interest receivable	**212,000**	*(212,001)*
Decrease/(increase) in stocks	**3,273**	*(6,208)*
Decrease in debtors	**600,465**	*1,579,196*
Increase in creditors	**4,033,460**	*3,755,704*
Related entity balance waived	**(5,096,351)**	-
Net cash generated from operating activities	**424,521**	*157,787*
Cash flows used in investing activities		
Purchase of tangible fixed assets	**(173,459)**	*(87,796)*
Interest receivable	**(212,000)**	*212,001*
Net cash (used in)/ from investing activities	**(385,459)**	*124,205*
Cash flows from financing activities		
Interest paid	**(24,527)**	*(1,814)*
Net cash used in financing activities	**(24,527)**	*(1,814)*
Net increase in cash and cash equivalents	**14,535**	*280,178*
Cash and cash equivalents at beginning of year	**(128,601)**	*(408,779)*
Cash and cash equivalents at the end of year	**(114,066)**	*(128,601)*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**16,210**	*17,584*
Bank overdrafts	**(130,276)**	*(146,185)*
	(114,066)	*(128,601)*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Supreme Hotels LLP operates a Hotel in London. The LLP is a limited liability partnership and is incorporated in England. The address of its registered office is Haydon House, 296 Joel Street, Pinner, Middlesex HA5 2PY.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern basis

The financial statements have been prepared on a going concern basis as the Members intentions are to continue trading within the LLP. The Members also have sufficient financial support for the LLP to meets its financial liabilities for a period of at least 12 months from the date the financial statements were approved.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2. **Accounting policies (continued)**

2.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed *remuneration and profits). Members' participation rights in the earnings* or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

Profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment and the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense and presented as members remuneration charged as an expense in arriving at the result for the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities.

Losses are automatically divided as they arise giving the LLP the right to seek payment from members, therefore they are presented within members' remuneration charged as an expense. To the extent that they remain unpaid at the period end, they are shown as liabilities.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment. Amounts payable to members under employment contracts and unavoidable interest on members capital are charged to "members remuneration charged as an expense" in the relevant year.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits or losses, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

The members' participation rights that are classified as liabilities are repayable upon demand, or at short notice (e.g. upon termination of membership), and as such whilst they are financing transactions, the effect of discounting is considered immaterial and so they are not discounted to present value.

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the LLP assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Long-term leasehold property	- 2.5% straight line
Plant and machinery	- 15% to 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 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.

2. **Accounting policies (continued)**

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

2.10 Financial instruments

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the LLP's statement of financial position when the LLP becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents 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.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

2. **Accounting policies (continued)**

2.13 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the LLP in independently administered funds.

2.15 Interest income

Interest income is recognised in the Statement of comprehensive income in the year it is earned.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. 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.

Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Operating lease

In categorising leases as operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the LLP as lessee.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. Turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Accommodation	11,124,072	10,133,057
Food and Beverage	4,000,531	4,029,575
Marketing and events	5,294,603	4,456,740
Other revenue	656,944	788,361
	21,076,150	19,407,733

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	21,076,150	19,407,733
	21,076,150	19,407,733

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	80,545	63,312
Impairment of tangible fixed assets	(699,835)	-
Retention write off	7,500,000	-
Related party balance waived	(5,096,351)	-
Cost of stocks recognised as an expense	1,330,690	1,390,087
Exchange differences	-	1,445
Other operating lease rentals	15,275,212	9,296,130
Defined contribution pension cost	11,260	15,569

6. Auditors' remuneration

	2017 £	*2016* *£*
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	**22,108**	*16,500*
Fees payable to the LLP's auditor and its associates in respect of:		
Taxation compliance services	**3,150**	*3,150*
All other services	**3,141**	*4,500*
	6,291	*7,650*

7. Employees

Staff costs were as follows:

	2017 £	*2016* *£*
Wages and salaries	**5,645,207**	*5,874,555*
Social security costs	**395,939**	*405,040*
Cost of defined contribution scheme	**11,260**	*15,569*
	6,052,406	*6,295,164*

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2017 No.	*2016* *No.*
Hotel Staff	**171**	*163*
Administration staff	**24**	*27*
	195	*190*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. Information in relation to members

	2017 Number	2016 Number
The average number of members during the year was	2	2

	2017 £	2016 £
The average members remuneration during the year was	(3,816,617)	(2,512,015)
Remuneration under terms of the LLP agreement	(7,633,233)	(5,024,030)
	(7,633,233)	(5,024,030)
The amount of loss attributable to the member with the largest entitlement	(7,625,600)	(5,019,006)

9. Interest receivable

	2017 £	2016 £
Other interest receivable	(212,000)	212,001
	(212,000)	212,001

The current year balance relates to the reversal of the prior year interest, no longer considered receivable.

10. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	(24,527)	(1,814)
	(24,527)	(1,814)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2016	**284,507**	**443,881**	**728,388**
Additions	**-**	**173,459**	**173,459**
At 31 March 2017	**284,507**	**617,340**	**901,847**
Depreciation			
At 1 April 2016	**9,484**	**111,983**	**121,467**
Charge for the year on owned assets	**4,742**	**75,803**	**80,545**
Impairment charge	**270,281**	**429,554**	**699,835**
At 31 March 2017	**284,507**	**617,340**	**901,847**
Net book value			
At 31 March 2017	**-**	**-**	**-**
At 31 March 2016	*275,023*	*331,898*	*606,921*

12. Stocks

	2017 £	*2016 £*
Finished goods and goods for resale	**89,849**	*93,122*
	89,849	*93,122*

13. Debtors

	2017 £	*2016 £*
Due after more than one year		
Other debtors	**-**	*9,000,000*
	-	*9,000,000*

13. Debtors (continued)

Due within one year

Trade debtors	2017 £	*2016* *£*
	415,092	*440,676*
Other debtors	**2,361,706**	*1,371,581*
Prepayments and accrued income	**2,906,241**	*2,971,247*
Amounts due from members	**2,226,793**	*5,000*
	7,909,832	*13,788,504*

14. Cash and cash equivalents

	2017 £	*2016* *£*
Cash at bank and in hand	**16,210**	*17,584*
Less: bank overdrafts	**(130,276)**	*(146,185)*
	(114,066)	*(128,601)*

15. Creditors: Amounts falling due within one year

	2017 £	*2016* *£*
Bank overdrafts	**130,276**	*146,185*
Trade creditors	**3,849,346**	*3,920,840*
Amounts owed to related undertakings	**-**	*3,020,798*
Other taxation and social security	**208,535**	*151,406*
Other creditors	**1,975,197**	*402,472*
Accruals and deferred income	**1,852,537**	*1,452,990*
	8,015,891	*9,094,691*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

16. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**5,003,591**	*10,812,257*
	5,003,591	*10,812,257*
Financial liabilities		
Financial liabilities measured at amortised cost	**(7,807,356)**	*(8,943,285)*
	(7,807,356)	*(8,943,285)*

17. Loans and other debts due to members

	2017 £	2016 £
Other amounts due to members	-	*(5,411,440)*
	-	*(5,411,440)*

Loans and other debts due to members may be further analysed as follows:

	2017 £	2016 £
Falling due within one year	-	*(5,411,440)*
	-	*(5,411,440)*

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

18. Pension commitments

The limited liability partnership operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £11,260 (2016 : £15,569).

Contributions of £3,115 (2016: £2,417) were outstanding at the year end.

19. Commitments under operating leases

At 31 March 2017 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

On 1 December 2017, the LLP reached an agreement to assign the lease to the buyer as part of the sale disclosed in note 21. Accordingly, the commitment disclosed is no longer payable.

	2017 £	*2016* *£*
Not later than 1 year	**10,137,500**	*8,725,000*
Later than 1 year and not later than 5 years	**31,337,500**	*41,475,000*
Later than 5 years	**142,388,493**	*142,388,493*
	183,863,493	*192,588,493*

20. Related party transactions

During the year to 31 March 2015 a right of set off in respect of amounts due to/from entities under the common control of the members was agreed. As at 31 March 2017 a net payable amount of £5,096,351 was due to these entities (2016: £3,322,973 due to these entities). This amount was fully waived off in the year. Mr S N Boghani and Mr N Boghani were members or partners of these entities.

The above mentioned balances arose as a result of working capital movements between the entities and were non-interest bearing.

21. Post balance sheet events

The franchise agreement between Supreme Hotels LLP and Hilton terminated on 1 December 2017, and Supreme Hotels LLP ceased to operate that hotel on the same day.

22. Controlling party

The LLP is controlled by its designated members.