

## Primeairo Limited

Report and Financial Statements

Year Ended

31 December 2015

Company Number 02199203

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# **Primeairo Limited**

## **Report and financial statements for the year ended 31 December 2015**

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### **Contents**

#### **Page:**

1	Strategic report
2	Report of the directors
4	Independent auditor's report
6	Statement of comprehensive income
7	Statement of financial position
8	Statement of changes in equity
9	Notes forming part of the financial statements

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### **Directors**

M A Cairns  
K Cooper  
F Bakhos  
J Al Thani  
Z Guiziri

### **Secretary and registered office**

K Cooper, 30 Portman Square, London, W1A 4ZX

### **Company number**

02199203

### **Auditor**

BDO LLP, 55 Baker Street, London, W1U 7EU

# Primeairo Limited

## Strategic report for the year ended 31 December 2015

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2015.

### Principal activities

The company continues to trade as an investment holding company. The company holds 100% share capital of International Hoteliers (UK) Limited, a holding company whose principal investment is in Churchill Group Limited, which operates the Hyatt Regency London - The Churchill Hotel, Portman Square, London. There have been no changes in the company's activities in the year under review.

### Business review

The strategy will be to continue to develop its existing investments and to look for further investments in the UK and Europe.

The profit and loss account is set out on page 6 and shows a profit for the year of £2,940,000 (2014 - £3,920,000).

Detailed business review of the group has been presented in the financial statements of Havana Holdings (UK) Limited, the parent company.

There have been no events since the balance sheet date which materially affect the position of the company.

### Principal risks and uncertainties

The company's principal risks and uncertainties are same as that of its subsidiary.

The hospitality industry in London remains highly competitive and the hotel seeks to manage the risk of losing customers to key competitors by focusing on anticipating, meeting and exceeding the expectations of its customers, encouraging client loyalty and extending retention.

The ongoing refurbishment of all public areas and guest-room facilities demonstrates our commitment to re-establishing and re-positioning Hyatt Regency London - The Churchill as one of the leading hotels in London. We believe The Churchill is well placed to re-gain and sustain a definable advantage in its market place.

The hotel's credit risk is primarily attributable to its trade debtors. Credit risk is well managed by running credit checks on new and existing customers and by monitoring payments against contractual agreements.

### Approval

This strategic report was approved by order of the Board on 30 September 2016



M A Cairns

Director

# **Primeairo Limited**

## **Report of the directors for the year ended 31 December 2015**

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The directors present their report together with the audited financial statements for the year ended 31 December 2015.

### **Results and dividends**

The result of the company for the year is set out on page 5 and shows a profit after taxation for the year of £2,940,000 (2014 - £3,920,000).

Dividends amounting to £2,940,000 have been paid during the year (2014 - £3,920,000).

### **Principal activities and review of the business**

The company continued to trade as an investment holding company. The company's principal investment is in Churchill Group Limited, which operates the Hyatt Regency London - The Churchill Hotel, Portman Square, London.

### **Directors and their interests**

The directors of the company during the year were:

M A Cairns  
K Cooper  
F Bakhos  
J Al Thani  
Z Z Guiziri

No director had any beneficial interest in the shares of the company at any time during the year.

# Primeairo Limited

## Report of the directors for the year ended 31 December 2015 (*continued*)

### Directors' responsibilities

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 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 judgements 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 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.

### Auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### On behalf of the Board

M A Cairns

Director



30 September 2016

# **Primeairo Limited**

## **Independent auditor's report**

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### **TO THE MEMBERS OF PRIMEAIRO LIMITED**

We have audited the financial statements of Primeairo Limited for the year ended 31 December 2015 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors**

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 Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Primeairo Limited

## Independent auditor's report (*continued*)

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### 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.



*Mark RA Edwards (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom*

30 September 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Primeairo Limited

## Statement of comprehensive income for the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Income from shares in group undertakings		2,940	3,920
Administrative expenses		-	-
<b>Profit on ordinary activities and total comprehensive income before and after taxation</b>	<b>3</b>	<b>2,940</b>	<b>3,920</b>

All amounts relate to continuing activities.

The notes on pages 9 to 12 form part of these financial statements



# Primeairo Limited

## Statement of financial position at 31 December 2015

<b>Company number 02199203</b>	<b>Note</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
<b>Fixed assets</b>			
Investments	5	<u>107,006</u>	<u>107,006</u>
<b>Capital and reserves</b>			
Called up share capital	8	<u>40,000</u>	<u>40,000</u>
Profit and loss account		<u>67,006</u>	<u>67,006</u>
<b>Shareholders' funds</b>		<u><u>107,006</u></u>	<u><u>107,006</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2016

M A Cairns  
Director



The notes on pages 9 to 12 form part of these financial statements

# Primeairo Limited

## Statement of changes in equity at 31 December 2015

	Share capital £'000	Profit and loss account £'000	Total equity £'000
<b>1 January 2015</b>	40,000	67,006	107,006
<b>Comprehensive income for the year:</b>			
Profit for the year	-	2,940	2,940
<b>Total comprehensive income for the year</b>	-	2,940	2,940
<b>Contributions by and distributions to owners</b>			
Dividends	-	(2,940)	(2,940)
<b>Total contributions by and distributions to owners</b>	-	(2,940)	(2,940)
<b>31 December 2015</b>	<b>40,000</b>	<b>67,006</b>	<b>107,006</b>
	Share capital £'000	Profit and loss account £'000	Total equity £'000
<b>1 January 2014</b>	40,000	67,006	107,006
<b>Comprehensive income for the year:</b>			
Profit for the year	-	3,920	3,920
<b>Total comprehensive income for the year</b>	-	3,920	3,920
<b>Contributions by and distributions to owners</b>			
Dividends	-	(3,920)	(3,920)
<b>Total contributions by and distributions to owners</b>	-	(3,920)	(3,920)
<b>31 December 2014</b>	<b>40,000</b>	<b>67,006</b>	<b>107,006</b>

The notes on pages 9 to 12 form part of these financial statements

# Primeairo Limited

## Notes forming part of the financial statements for the year ended 31 December 2015

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### 1 Accounting policies

The financial statements have been prepared in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* and Financial Reporting Standard 101 *Reduced Disclosure Framework*. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for the revaluation of certain properties and financial instruments. The presentation currency used is sterling and amounts have been presented in round thousands ("£000s").

The company transitioned from previously extant UK GAAP to FRS 101 as at 1 January 2014. An explanation of how transition to FRS 101 has affected. The financial performance is given in note 13.

#### *Disclosure exemptions adopted*

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Havana Holdings (UK) Limited.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Havana Holdings (UK) Limited.

The financial statements of Havana Holdings (UK) Limited can be obtained as described in note 11.

#### *Exemption from preparation of consolidated financial statements*

The company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to submit group accounts as the company is itself a wholly owned subsidiary of an EC parent company incorporated in Great Britain (see note 11). The financial statements present information about the company as an individual undertaking and not about its group.

#### *Investments*

Investments held as fixed assets are stated at cost less any provision for diminution in value.

#### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

#### *Statement of cash flows*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 101 not to produce a statement of cash flows since its parent company publishes consolidated financial statements, including a statement of cash flows.

# Primeairo Limited

## Notes forming part of the financial statements for the year ended 31 December 2015 (continued)

### 2 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. 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 discussed below.

#### (a) Impairment of investments

The company is required to consider whether the carrying value of the investments is reasonable or if an impairment has taken place. This is done by reference to the underlying trade and assets of the investments.

### 3 Operating loss

The audit fee for 2015 has been borne by another group company.

### 4 Directors and employees

The company has no employees (2014 - Nil).

No directors received any remuneration during the year (2014 - £Nil).

### 5 Taxation on ordinary activities

	2015 £'000	2014 £'000
Taxation on profit on ordinary activities	-	-
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:		
	2015 £'000	2014 £'000
Profit on ordinary activities before tax	2,940	3,920
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	595	842
Effects of:		
Non taxable income - dividend	(595)	(842)
Current tax charge for year	-	-

#### Factors that may affect future tax charges

A deferred tax asset of approximately £751,122 (2014 - £751,122) has not been recognised on unrelieved tax losses available to carry forward against future taxable profits as there is currently insufficient evidence that any asset would be recoverable.

# Primeairo Limited

Notes forming part of the financial statements  
for the year ended 31 December 2015 (*continued*)

## 6 Dividends

	2015 £'000	2014 £'000
Ordinary dividend paid of 7.3p (2014 - 9.8p) per share	2,940	3,920

## 7 Fixed asset investments

	Subsidiary undertaking £'000
<i>Cost</i>	
At 1 January 2015 and at 31 December 2015	107,006
<i>Amounts provided</i>	
At 1 January 2015 and at 31 December 2015	-
<i>Net book amount</i>	
At 31 December 2015	107,006
At 31 December 2014	107,006

The company's subsidiaries, owned directly or indirectly, are as follows:

Name	Principal activities	Description and proportion of shares held	Country of registration
International Hoteliers (UK) Limited	Holding company	100% ordinary shares	England
Churchill Group Ltd	Hoteliers	100% ordinary shares 100% deferred shares	England

## 8 Share capital

	Authorised, allotted, called up and fully paid			
	2015 Number	2014 Number	2015 £'000	2014 £'000
Ordinary shares of £1 each	40,000,002	40,000,002	40,000	40,000

# Primeairo Limited

## Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

### 9 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for.
Retained earnings	All other net gains and losses and transactions with owners (eg dividends) not recognised elsewhere.

### 10 Contingent liability

Barclays Bank plc has a charge on the assets of the company. This charge is in place in relation to the bank loan held by one of the company's parent undertakings, Havana Holdings (UK) Limited. At 31 December 2015, the balance due from Havana Holdings (UK) Limited to Barclays Bank plc was £98,000,000 (2014 - £86,555,000).

### 11 Ultimate parent company and ultimate controlling party

The parent company of the smallest group of which the company is a member and for which group accounts are prepared is Havana Holdings (UK) Limited, a company registered in England and Wales. Copies of the accounts may be obtained from 30 Portman Square, London, W1A 4ZX.

The beneficial owner remains Sheikh Hamad bin Jassim bin Jaber Al Thani.

### 12 Related party transactions

The company has taken advantage of the exemption conferred by FRS 101 not to disclose transactions with group companies, on the basis that it is 100% controlled within the group and its parent undertaking, Havana Holdings (UK) Limited prepares consolidated financial statements which are publicly available.

### 13 First time adoption of FRS 101 Reduced Disclosure Framework

The policies applied under the entity's previous accounting framework are not materially different from FRS 101 and have not impacted an equity or profit and loss.