

**ELLERSLIE UK LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 December 2015**

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# **ELLERSLIE UK LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS For the year ended 31 December 2015**

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# **ELLERSLIE UK LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

J Jinnah  
S Jinnah  
T Watson

#### **COMPANY SECRETARY**

T Watson

#### **REGISTERED OFFICE**

Discovery Inn  
Bishopgate Street  
Leeds  
LS1 5DY

#### **BANKERS**

The Royal Bank of Scotland plc  
Manchester Business Centre  
P O Box 356  
38 Mosley Street  
Manchester  
M60 2BE

#### **SOLICITORS**

Davidson Webber LLP  
Royal House  
110 Station Parade  
Harrogate  
North Yorkshire  
HG1 1EP

#### **AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Leeds  
West Yorkshire  
LS1 2AL

# ELLERSLIE UK LIMITED

## DIRECTORS' REPORT

The directors present their annual report on the affairs of the company together with the audited financial statements and auditor's report for the year ended 31 December 2015.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

## PRINCIPAL ACTIVITY

The principal activity of the company is to act as collecting agent of its parent company, Ellerslie Investments Limited, in respect of a lease of land and buildings.

## DIRECTORS

The directors who served during the year and subsequently are listed on page 1.

## RESULTS

The audited financial statements for the year ended 31 December 2015 are set out on pages 6 to 13.

## DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who is a director at the date of approval of this report, confirm that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and Signed on behalf of the Board



T Watson  
Director

29 September 2016

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 estimates that are reasonable and prudent; and
- 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELLERSLIE UK LIMITED**

We have audited the financial statements of Ellerslie UK Limited for the year ended 31 December 2015, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes 1 to 13. 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".

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 auditor**

As explained more fully in the Directors' responsibilities statement, 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 Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 matter prescribed by the Companies Act 2006**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELLERSLIE UK LIMITED (continued)**

### **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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a strategic report.



**Scott Bayne FCA (Senior Statutory Auditor)**

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Leeds, United Kingdom

29 September 2016

# ELLERSLIE UK LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 December 2015

	Note	2015 £	2014 £
<b>TURNOVER</b>	3	92,302	72,367
Administrative expenses		(86,861)	(68,420)
<b>OPERATING PROFIT</b>	5	5,441	3,947
Interest receivable		397	217
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		5,838	4,164
Tax on profit ordinary activities	7	(1,168)	342
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>4,670</u>	<u>4,506</u>

The above results were derived from continuing operations.

There are no items of other comprehensive income in the current or prior year and therefore no statement of other comprehensive income is shown.

The notes on pages 9 to 13 form an integral part of the financial statements.



# ELLERSLIE UK LIMITED

## BALANCE SHEET At 31 December 2015

	Note	2015 £	2014 £
<b>CURRENT ASSETS</b>			
Debtors	8	91,466	91,466
Cash at bank and in hand		457,371	466,406
		<u>548,837</u>	<u>557,872</u>
<b>CREDITORS: amounts falling due within one year</b>	9	<u>(381,725)</u>	<u>(395,430)</u>
<b>NET ASSETS</b>		<u>167,112</u>	<u>162,442</u>
 <b>CAPITAL AND RESERVES</b>			
Called-up share capital	10	2	2
Profit and loss account		<u>167,110</u>	<u>162,440</u>
<b>TOTAL SHAREHOLDER'S FUNDS</b>		<u>167,112</u>	<u>162,442</u>

The notes on pages 9 to 13 form an integral part of the financial statements.

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These financial statements of Ellerslie UK Limited, registered number 02461910, were approved by the Board of Directors on <sup>29</sup> September 2016 2016.

Signed on behalf of the Board of Directors



T Watson  
Director

# ELLERSLIE UK LIMITED

## STATEMENT OF CHANGES IN EQUITY At 31 December 2015

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 31 December 2013 as previously stated	2	157,934	157,936
Changes on transition to FRS 102 (see note 12)	-	-	-
At 1 January 2014 as restated	2	157,934	157,936
Profit for the financial year and total comprehensive income	-	4,506	4,506
At 31 December 2014	2	162,440	162,442
Profit for the financial year and total comprehensive income	-	4,670	4,670
At 31 December 2015	2	167,110	167,112

The notes on pages 9 to 13 form an integral part of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2015**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

**General information and basis of accounting**

Ellerslie UK Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activity are set out in the Directors' report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 12.

The functional currency of Ellerslie UK Limited is considered to be Pounds Sterling because that is the currency of the primary economic environment in which the company operates.

Ellerslie UK Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Ellerslie UK Limited is consolidated in the financial statements of its parent, Ellerslie Investments Limited, which may be obtained from the address in note 11. Exemptions have been taken in these separate company financial statements in relation to share-based payments, financial instruments, and presentation of a cash flow statement, and remuneration of key management personnel.

**Going concern**

The company is cash generative and has no reliance on external finance. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Turnover**

Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of consideration due. Turnover is stated net of VAT and is recognised at the point that services are performed.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Critical judgements in applying the Company's accounting policies*

Due to the simple nature of the business the directors have determined that there are no critical judgements of key sources of estimation uncertainty in applying the company's accounting policies.

### 3. TURNOVER

The whole of the turnover and pre-tax profit, all of which arises in the United Kingdom, are attributable to the company's principal activity.

### 4. INFORMATION REGARDING DIRECTORS

The directors did not receive any remuneration for their services to the company in the current or prior year.

### 5. OPERATING PROFIT

	2015 £	2014 £
Operating profit is stated after charging:		
Fees payable to the company's auditors for:		
the audit of the company's annual financial statements	2,000	1,500
Taxation compliance services	850	850
	<u>2,850</u>	<u>2,350</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2015**

**6. INFORMATION REGARDING EMPLOYEES**

	2015 No	2014 No
<b>Monthly average number of persons employed</b>		
Maintenance	<u>1</u>	<u>1</u>

	2015 £	2014 £
<b>Staff costs during the year</b>		
Wages and salaries	46,195	46,195
Bonus	<u>37,767</u>	<u>17,832</u>
	<u>83,962</u>	<u>64,027</u>

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2015 £	2014 £
<b>Current tax:</b>		
United Kingdom corporation tax	1,168	833
Adjustments in respect of prior years	<u>-</u>	<u>(1,175)</u>
<b>Total tax on profit on ordinary activities</b>	<u>1,168</u>	<u>(342)</u>

The standard rate of tax applied to reported profit on ordinary activities is 20% (2014: 20%). The applicable tax rate changed to 20% from 1 April 2015. The applicable tax rate has remained at 20% following the substantive enactment of the Finance Act 2013. Finance (No.2) Act 2015 enacted further reductions resulting in a main rate of corporation tax of 19% for financial years 2017 to 2019 and a rate of 18% with effect from 1 April 2020.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2015**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)**

The difference between the total tax charge shown above and the amount calculated by applying Standard rate of UK Corporation Tax to the profit before tax is as follows:

	2015 £	2014 £
Profit on ordinary activities before tax	5,838	4,164
Expected tax charge at 20% (2014: 20%)	1,168	833
Factors affecting charge for the year: Adjustments in respect of prior years	-	(1,175)
<b>Total tax for the year</b>	<b>1,168</b>	<b>(342)</b>

**8. DEBTORS**

	2015 £	2014 £
Loan to Discovery Hotels Limited	91,465	91,466

All amounts are due within one year. The loan is interest free and repayable on demand.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Amounts owed to parent undertaking	373,459	387,625
Accruals and deferred income	7,098	6,972
Corporation tax	1,168	833
	<b>381,725</b>	<b>395,430</b>

Amounts owed to parent undertaking are repayable on demand and interest free.

**10. CALLED UP SHARE CAPITAL**

	2015 £	2014 £
Called up, allotted and fully paid 2 ordinary shares of £1 each	2	2

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 December 2015**

**11. ULTIMATE PARENT COMPANY**

In the opinion of the directors, the company's ultimate parent company and controlling party is Ellerslie Investments Limited. Ellerslie Investments Limited is the smallest and largest group in which the results of the company are consolidated and is a company incorporated in Gibraltar, the consolidated financial statements of Ellerslie investments limited are available from Suite E, Regal House, Queens Way, PO Box 246, Gibraltar.

**12. RELATED PARTY TRANSACTIONS**

Reveue for the year ended 31 December 2015 includes salary costs recharged to a related party, the parent company Ellerslie Investments Limited, of £83,962 (2014: £64,027). It also includes a commission on rent collected which is charged to Ellerslie Investments Limited of £8,340 (2014: £8,340).

Outstanding balances with group companies are disclosed in notes 8 and 9.

**13. EXPLANATION OF TRANSITION TO FRS 102**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. There have been no changes to accounting policy arising as a result of the change of reporting framework therefore no reconciliation of the profit or equity for the year ended 31 December 2014 has been presented.

## **ELLERSLIE UK LIMITED**

### **ADDITIONAL FINANCIAL INFORMATION**

The additional financial information, which comprises of the trading profit and loss account and the related notes 1 to 3, has been prepared from the accounting records of the company. While it is unaudited and does not form part of the statutory financial statements, it should be read in conjunction with them and the independent auditor's report thereon.



# ELLERSLIE UK LIMITED

## TRADING PROFIT AND LOSS ACCOUNT - unaudited For the year ended 31 December 2015

		2015 £	2014 £
<b>TURNOVER</b>	1	92,302	72,367
<b>Less: Overhead expenses</b>			
General expenses	2	(86,861)	(68,420)
<b>NET TRADING PROFIT FOR THE YEAR</b>		<u>5,441</u>	<u>3,947</u>
Interest receivable and similar income	3	<u>397</u>	<u>217</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><u>5,838</u></u>	<u><u>4,164</u></u>

# ELLERSLIE UK LIMITED

## NOTES TO THE TRADING PROFIT AND LOSS ACCOUNT - unaudited For the year ended 31 December 2015

	2015 £	2014 £
<b>1. SALES</b>		
Annual retainer	5,000	5,000
Rent collection	3,340	3,340
Salary recharge	83,962	64,027
	<u>92,302</u>	<u>72,367</u>
<b>2. GENERAL EXPENSES</b>		
Professional fees	2,899	4,393
Salary costs	83,962	64,027
	<u>86,861</u>	<u>68,420</u>
<b>3. INTEREST RECEIVABLE AND SIMILAR INCOME</b>		
Bank interest	<u>397</u>	<u>217</u>