

FLAG HOTELS LIMITED
FINANCIAL STATEMENTS
31 MARCH 2017



JOSEPH MILLER & CO
Chartered Accountants
Newcastle upon Tyne

FLAG HOTELS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2017

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FLAG HOTELS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

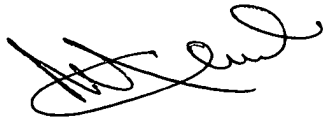
The board of directors	Mr M Chawla Mrs S R Chawla Mr N Chawla
Company secretary	S R Chawla
Registered office	24 Woolsington Park South Woolsington Newcastle upon Tyne Tyne & Wear NE13 8BJ
Auditor	Joseph Miller & Co Chartered Accountants & statutory auditor Milburn House Dean Street Newcastle upon Tyne NE1 1LE
Bankers	Svenska Handelsbanken AB (publ) Ground Floor Earl Grey House 75/85 Grey Street Newcastle upon Tyne NE1 6EF
Solicitors	Mincoffs Solicitors Kensington House 5 Osborne Road Newcastle upon Tyne Tyne & Wear NE2 2AA

FLAG HOTELS LIMITED
STRATEGIC REPORT
YEAR ENDED 31 MARCH 2017

Business Review

Flag Hotels Limited is a dormant holding company of Smokies Entertainments Limited. As such, the company did not trade throughout the current year and there are no plans for the company to trade in the foreseeable future.

This report was approved by the board of directors on 21 December 2017 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'M Chawla', written over a horizontal line.

Mr M Chawla
Director

FLAG HOTELS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

Directors

The directors who served the company during the year were as follows:

Mr M Chawla
Mrs S R Chawla
Mr N Chawla

Dividends

The directors do not recommend the payment of a dividend.

Future developments

There are no plans for the company to trade in the foreseeable future.

Disclosure of information in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1, these matters relate to the business review, principal risks and uncertainties and future developments.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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.

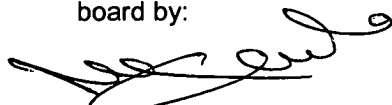
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 21 December 2017 and signed on behalf of the board by:



Mr M Chawla
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAG HOTELS LIMITED

YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Flag Hotels Limited for the year ended 31 March 2017, on pages 5 to 7. The financial reporting framework that has been applied in their preparation is applicable law and the 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 strategic report and the directors' 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 March 2017 and of its result 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, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the strategic report and the directors' report. We have nothing to report in this respect.

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:

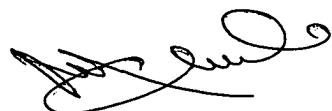
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Gold BA, FCA (Senior statutory auditor)
For and on behalf of Joseph Miller & Co, Statutory auditor
Newcastle upon Tyne
NE1 1LE
21 December 2017

FLAG HOTELS LIMITED
STATEMENT OF FINANCIAL POSITION
31 MARCH 2017

	Note	2017 £	£	2016 £	£
Current assets					
Debtors	4	955		955	
Net current assets			955		955
Total assets less current liabilities			955		955
Capital and reserves					
Called up share capital	5		1,000		1,000
Profit and loss account	6		(45)		(45)
Members' funds			955		955

The financial statements were approved by the board of directors and authorised for issue on 21 December 2017 and are signed on behalf of the board by:



Mr M Chawla
Director

Company registration number: 2561706

The notes on pages 6 to 7 form part of these financial statements.

FLAG HOTELS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 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 24 Woolsington Park South, Woolsington, Newcastle upon Tyne, Tyne & Wear, NE13 8BJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, '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 and investment properties measured at fair value through profit or loss.

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

Particulars of employees

No salaries or wages have been paid to employees, including the directors, during the year.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Edgeman Limited which can be obtained from the company's registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	<u>955</u>	<u>955</u>

FLAG HOTELS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2017

5. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>	<u>1,000</u>

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

6. Reserves

The profit and loss account reserve records retained earnings and accumulated losses.

7. Related party transactions

The company has been under the control of the directors throughout the current year. The directors own 100% of the issued share capital in Edgeman Limited, the ultimate holding company.

No director received remuneration from the company during the period, and no other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.

The accounts do not include disclosure of transactions between the company and entities that are part of the Edgeman Limited group of companies. This is because, as a subsidiary whose shares are 100% controlled within the group, it is exempt from the requirement to disclose such transactions under Financial Reporting Standard 102.

The Edgeman Limited group of companies consist of the parent company, Edgeman Limited, together with its 100% owned subsidiaries, Smokies Entertainments Limited, Sunderland Hotels Limited, Craiglands Limited, Gosforth Park Hotels Limited, Flag Hotels Limited and Ailantus Hotels Limited.

The directors also own 100% of the issued share capital of George Washington Golf and Country Club Limited and Ashton House Care Limited, companies registered in England. No transactions with these companies took place during the year.

8. Controlling party

The company's immediate parent undertaking is Ailantus Hotels Limited, a company registered in England and Wales.

The company's ultimate parent undertaking is Edgeman Limited, a company also registered in England and Wales.

The directors own all of the issued share capital of Edgeman Limited and effectively control the company.