

Cockpit Hotel (London) Limited

Report and Financial Statements

Year Ended

31 December 2015

Company Number 03405105

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Cockpit Hotel (London) Limited

Company Information

Directors	Teo Kok Woon Teo Cheng Woon
Company secretary	Tan Shang Teow
Registered number	03405105
Registered office	47 Lillie Road London SW6 1UD
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Bankers	National Westminster Bank Plc 9th Floor 280 Bishopsgate London EC2M 4RB
Solicitors	Baker & McKenzie 100 New Bridge Street London EC4V 6JA

Cockpit Hotel (London) Limited

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Cockpit Hotel (London) Limited

Strategic report For the Year Ended 31 December 2015

Introduction

The directors present their report and the financial statements for the year ended 31 December 2015.

Principal activity and business review

The company has continued to operate a hotel in London in the year.

The business has generally been affected by the closure of an exhibition centre and hotel building improvement work. The directors are however confident that business will recover in the near future.

Principal risks and uncertainties

The hotel is operating in a competitive market environment and is subject to business risks facing other hoteliers in London. The company's key risks identified by the directors are the general economy, attractiveness of the UK as a visitor location, its competitiveness against its main rivals and the maintenance of high standards including complying with all laws and regulations.

The directors review the company's exposures to these risks regularly.

Key performance indicators

Turnover has decreased by 5% over the past year. The company's EBITDA, as a measure of its key performance indicator for the year was £294,227 (2014 - £785,055).

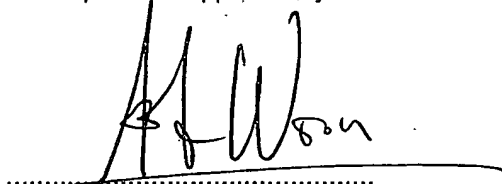
The company's other key performance indicators include hotel occupancy, average achieved room rates and profit margins.

The directors consider the results of the year to be satisfactory.

Future Outlook

The company will continue to maintain the hotel's high standards to maintain its trading levels.

This report was approved by the board and signed on its behalf.



.....
Teo Kok Woon
Director

Date: 10th Oct. 16

Cockpit Hotel (London) Limited

Directors' report For the Year Ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year, after taxation, amounted to £5,913 (2014 - £934,379).

Directors

The directors who served during the year were:

Teo Kok Woon
Teo Cheng Woon

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company financial statements and then apply them consistently;
- make judgements and accounting 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 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.

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price risk or liquidity risk.

Cockpit Hotel (London) Limited

**Directors' report
For the Year Ended 31 December 2015**

Disclosure of information to auditor

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

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

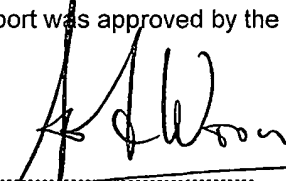
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


.....

Teo Kok Woon
Director

Date: 10th Oct. 2016.

Cockpit Hotel (London) Limited

Independent Auditor's report to the members of Cockpit Hotel (London) Limited

We have audited the financial statements of Cockpit Hotel (London) 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, the Statement of Cash Flows 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).

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.

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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Cockpit Hotel (London) Limited

Independent Auditor's report to the members of Cockpit Hotel (London) Limited

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.

BDO LLP

.....
Stuart Collins (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: **12 October 2016**

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

Cockpit Hotel (London) Limited

**Statement of comprehensive income
For the Year Ended 31 December 2015**

	Note	2015 £	2014 £
Turnover	4	13,756,115	14,508,731
Cost of sales		(873,802)	(918,501)
Gross profit		12,882,313	13,590,230
Administrative expenses		(12,914,570)	(13,141,958)
Other operating income	5	94,556	72,039
Operating profit	6	62,299	520,311
Interest receivable and similar income	9	2,614	2,185
Interest payable and expenses	10	-	(117)
Profit before tax		64,913	522,379
Tax on profit	11	(59,000)	412,000
Profit for the year		5,913	934,379

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the income statement.

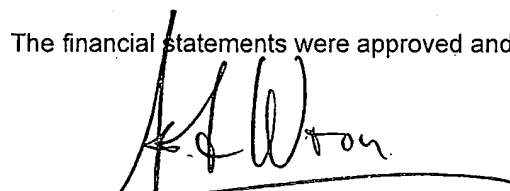
The notes on pages 10 to 23 form part of these financial statements.

Cockpit Hotel (London) Limited
Registered number: 03405105

Statement of financial position
As at 31 December 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	12		4		4
Tangible assets	13		866,481		889,558
			<u>866,485</u>		<u>889,562</u>
Current assets					
Stocks	14	26,134		27,038	
Debtors: amounts falling due after more than one year	15	-		324,092	
Debtors: amounts falling due within one year	15	2,857,568		2,356,697	
Cash at bank and in hand		1,558,616		1,767,078	
		<u>4,442,318</u>		<u>4,474,905</u>	
Creditors: amounts falling due within one year	16	(1,893,785)		(1,955,362)	
Net current assets			<u>2,548,533</u>		<u>2,519,543</u>
Total assets less current liabilities			<u>3,415,018</u>		<u>3,409,105</u>
Creditors: amounts falling due after more than one year	17		(7,965,834)		(7,965,834)
Net assets			<u><u>(4,550,816)</u></u>		<u><u>(4,556,729)</u></u>
Capital and reserves					
Share capital	20		1,000,000		1,000,000
Retained earnings	21		(5,550,816)		(5,556,729)
			<u><u>(4,550,816)</u></u>		<u><u>(4,556,729)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Teo Kok Woon
Director

Date: 10th Oct 2016

The notes on pages 10 to 23 form part of these financial statements.

Cockpit Hotel (London) Limited

**Statement of changes in equity
For the Year Ended 31 December 2015**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	1,000,000	(5,556,729)	(4,556,729)
Comprehensive income for the year			
Profit for the year	-	5,913	5,913
Total comprehensive income for the year	-	5,913	5,913
At 31 December 2015	1,000,000	(5,550,816)	(4,550,816)

**Statement of changes in equity
For the Year Ended 31 December 2014**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	1,000,000	(6,491,108)	(5,491,108)
Comprehensive income for the year			
Profit for the year	-	934,379	934,379
Total comprehensive income for the year	-	934,379	934,379
At 31 December 2014	1,000,000	(5,556,729)	(4,556,729)

The notes on pages 10 to 23 form part of these financial statements.

Cockpit Hotel (London) Limited

**Statement of cash flows
For the Year Ended 31 December 2015**

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	5,913	934,379
Adjustments for:		
Depreciation of tangible assets	231,928	264,744
Profit on disposal of fixed assets	(963)	-
Interest paid	-	117
Interest received	(2,614)	(2,184)
Taxation	59,000	(412,000)
Decrease/(increase) in stocks	904	(527)
Decrease in debtors	214	61,942
Decrease in amounts owed by groups	(235,992)	-
(Decrease) in creditors	(61,577)	(178,739)
Corporation tax	-	73,638
Net cash generated from operating activities	(3,187)	741,370
Cash flows from investing activities		
Purchase of tangible fixed assets	(208,852)	(94,655)
Profit on disposal of fixed assets	963	-
Interest received	2,614	2,185
Net cash from investing activities	(205,275)	(92,470)
Cash flows from financing activities		
Interest paid	-	(117)
Net cash used in financing activities	-	(117)
Cash and cash equivalents at beginning of year	1,767,078	1,118,295
Cash and cash equivalents at the end of year	1,558,616	1,767,078
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,558,616	1,767,078

The notes on pages 10 to 23 form part of these financial statements.

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

1. General information

Cockpit Hotel (London) Limited is a private limited company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 25.

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

The balance sheet shows that liabilities exceed assets by £4,550,816. Tambusu Holdings Limited has indicated its willingness to provide support to the company for the foreseeable future, being a period of at least 12 months from the date of authorisation of these financial statements and has confirmed to the company that it will not seek repayment of the amount due to it of £7,965,834 before, at the earliest, 1 January 2017.

The company made a profit after tax for the financial year of £5,913 (2014 - £934,379).

Taking the above matters into account, the directors are of the view that the company will be able to meet its liabilities as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents amounts receivable for accommodation, food and beverage sales and ancillary hotel services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised at the point at which goods and services are delivered to the customer.

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income statement over its useful economic life.

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.4 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Furniture, fittings and equipment - 5-33% straight line

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.

2.5 Operating leases

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

2.6 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

2.7 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.

2.8 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 Company's cash management.

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.10 Creditors

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

2.11 Foreign currency translation

Functional and presentation currency

The company'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.

2.12 Finance costs

Finance costs are charged to the Income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Income statement using the effective interest method.

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 13)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values

4. Turnover

The whole of the turnover is attributable to one class of business.

All turnover arose within the United Kingdom.

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

5. Other operating income

	2015 £	2014 £
Rentals receivable	82,221	59,999
Exchange gains	11,372	12,040
Profit on disposal of tangible assets	963	-
	<u>94,556</u>	<u>72,039</u>

6. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	231,928	264,744
Exchange differences	655	477
Other operating lease rentals	5,094,136	5,059,942

During the year, no director received any emoluments (2014 - £NIL).

7. Auditor's remuneration

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	19,000	18,500

8. Employees

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,273,188	2,302,289
Social security costs	200,918	185,808
Cost of defined contribution scheme	27,536	18,625
	<u>2,501,642</u>	<u>2,506,722</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Operational	89	100
Administrative	12	12
	<u>101</u>	<u>112</u>

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

9. Interest receivable

	2015	2014
	£	£
Interest receivable	2,614	2,185

10. Interest payable and similar charges

	2015	2014
	£	£
Bank interest payable	-	117

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

11. Taxation

	2015 £	2014 £
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	59,000	(412,000)
Total deferred tax	59,000	(412,000)
Taxation on profit/(loss) on ordinary activities	59,000	(412,000)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	64,913	522,379
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	13,144	112,276
Effects of:		
Expenses not deductible for tax purposes	1,335	1,943
Capital allowances for year in less than/(in excess of) depreciation	5,792	7,920
Effect of tax rate changes	38,729	(8,485)
Short term timing difference leading to an increase (decrease) in taxation	-	(525,654)
Total tax charge for the year	59,000	(412,000)

Factors that may affect future tax charges

The main rate of UK corporation tax has decreased from 21% to 20% from 1 April 2015, resulting in an effective corporation tax rate of 20.25% for this accounting period. This will further reduce to 19% from 1 April 2017. The rate from 1 April 2020 was expected to be 18%, however, on 16 March 2016, the UK government announced that this would be 17%. As this change has been substantively enacted after the reporting date, deferred tax is recognised at 18% as at 31 December 2015. For further information on deferred tax balances, see note 19.

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

12. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2015	4
At 31 December 2015	<u>4</u>
Net book value	
At 31 December 2015	<u>4</u>
At 31 December 2014	<u>4</u>

13. Tangible fixed assets

	Furniture, fittings and equipment
	£
Cost or valuation	
At 1 January 2015	11,487,123
Additions	208,852
Disposals	(74,861)
At 31 December 2015	<u>11,621,114</u>
Depreciation	
At 1 January 2015	10,597,566
Charge for the period	231,928
Disposals	(74,861)
At 31 December 2015	<u>10,754,633</u>
Net book value	
At 31 December 2015	<u>866,481</u>
At 31 December 2014	<u>889,558</u>

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

14. Stocks

	2015 £	2014 £
Food and beverage	26,134	27,038

15. Debtors

	2015 £	2014 £
Due after more than one year		
Amounts owed by group undertakings	-	324,092

	2015 £	2014 £
Due within one year		
Trade debtors	494,206	493,208
Amounts owed by group undertakings	1,244,303	684,219
Other debtors	81,682	52,058
Prepayments and accrued income	684,377	715,212
Deferred taxation	353,000	412,000
	2,857,568	2,356,697

16. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	353,676	439,136
Taxation and social security	268,662	255,117
Other creditors	38,635	13,133
Accruals and deferred income	1,232,812	1,247,976
	1,893,785	1,955,362

17. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed to group undertakings	7,965,834	7,965,834

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

18. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>3,378,807</u>	<u>3,320,655</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(9,590,957)</u>	<u>(9,666,079)</u>

Financial assets measured at amortised cost comprise cash and trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors, intercompany loans and accrued expenses.

19. Deferred taxation

	Deferred tax £
At 1 January 2015	412,000
Utilised in year	(59,000)
At 31 December 2015	<u><u>353,000</u></u>

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	61,000	73,000
Tax losses	292,000	339,000
	<u><u>353,000</u></u>	<u><u>412,000</u></u>

20. Share capital

	2015 £	2014 £
Alotted, called up and fully paid		
1,000,000 Ordinary Shares shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

21. Reserves

Retained earnings

Retained earnings represent cumulative profits or losses, net of dividends paid and other adjustments.

22. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Within 1 year	5,100,000	5,100,000
Between 1 and 2 years	5,100,000	5,100,000
Between 2 and 5 years	5,100,000	10,200,000
Total	15,300,000	20,400,000

23. Related party transactions

The following are related party transactions by virtue of the other party to the transaction being in the same group. No amounts due from any related parties have been written off during the year.

Tambusu Holdings Limited has provided an interest free loan to the company with the balance outstanding at the year end being £7,965,834 (2014 - £7,965,834). There were no transactions in the year.

The company leases the hotel property from Lillie Investments Limited, a fellow group undertaking. During the year the company was charged rent of £5,094,136 (2014 - £5,014,136) by Lillie Investments Limited. The year end balance due from Lillie Investments Limited was £496,357 (2014 - £466,509). Other movements in this balance represented net loans to Lillie Investments Limited.

The company leases the land adjacent to the hotel from Favor Well Limited, a fellow group undertaking. The rent charged and paid during the year was £Nil (2014 - £45,806). Loans made to Favour Well Limited during the year were £85,919 (2014 - £40,992). The year end balance due from Favor Well Limited was £78,106 (2014 - £Nil).

The year end balance due from Goodearth Hotels Limited, a fellow group undertaking, was £217,710 (2014 - £217,710).

The company loaned £127,513 (2014 - £50,695) to Kozan Investments Limited, a fellow group undertaking. The year end balance due from Kozan Investments Limited was £451,605 (2014 - £324,092).

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

24. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking are Tambusu Holdings Limited (incorporated in the British Virgin Islands) and Tambusu Group Holdings Limited (incorporated in the Cayman Islands) respectively.

Mr Teo Kok Woon is the ultimate controlling party.

Cockpit Hotel (London) Limited

Notes to the financial statements For the Year Ended 31 December 2015

25. First time adoption of FRS 102

		As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Note							
Fixed assets		1,059,651	-	1,059,651	889,562	-	889,562
Current assets		3,549,175	-	3,549,175	4,474,905	-	4,474,905
Creditors: amounts falling due within one year		(2,134,100)	-	(2,134,100)	(1,955,362)	-	(1,955,362)
Net current assets		1,415,075	-	1,415,075	2,519,543	-	2,519,543
Total assets less current liabilities		2,474,726	-	2,474,726	3,409,105	-	3,409,105
Creditors: amounts falling due after more than one year	1	(8,525,079)	-	(8,525,079)	(8,525,079)	559,245	(7,965,834)
Net liabilities		(6,050,353)	-	(6,050,353)	(5,115,974)	559,245	(4,556,729)
Capital and reserves		(6,050,353)	-	(6,050,353)	(5,115,974)	559,245	(4,556,729)

Cockpit Hotel (London) Limited

**Notes to the financial statements
For the Year Ended 31 December 2015**

25. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Turnover		14,508,731	-	14,508,731
Cost of sales		(918,501)	-	(918,501)
		13,590,230	-	13,590,230
Administrative expenses		(13,141,958)	-	(13,141,958)
Other operating income		72,039	-	72,039
Operating profit		520,311	-	520,311
Interest receivable and similar income		2,185	-	2,185
Interest payable and similar charges		(117)	-	(117)
Taxation		412,000	-	412,000
Profit on ordinary activities after taxation and for the financial year		934,379	-	934,379

Explanation of changes to previously reported profit and equity:

- 1 The adjustment to the creditors due after more than one year and reserves is due to the reclassification of how interest is charged on loans under FRS 102.