

COMPANY REGISTRATION NUMBER: 4930157

**AILANTUS HOTELS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2018**



**JOSEPH MILLER & CO**  
**Chartered Accountants**  
**Newcastle upon Tyne**

**AILANTUS HOTELS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2018**

<b>Contents</b>	<b>Pages</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2</b>
Directors' report	<b>3</b>
Independent auditor's report to the members	<b>4 to 6</b>
Statement of financial position	<b>7</b>
Notes to the financial statements	<b>8 to 10</b>

**AILANTUS HOTELS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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

**AILANTUS HOTELS LIMITED**  
**STRATEGIC REPORT**  
**YEAR ENDED 31 MARCH 2018**

**Business Review**

Ailantus Hotels Limited is a dormant holding company of Flag Hotels Limited which 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 2018 and signed on behalf of the board by:



Mr M R Chawla  
Director

**AILANTUS HOTELS LIMITED**  
**DIRECTORS' REPORT**  
**YEAR ENDED 31 MARCH 2018**

The directors present their report and the financial statements of the company for the year ended 31 March 2018.

**Directors**

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

Mr M R Chawla  
Mrs S R Chawla  
Mr N Chawla

**Dividends**

The directors do not recommend the payment of a dividend.

**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.

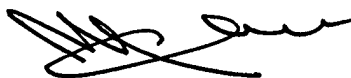
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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 2018 and signed on behalf of the board by:



Mr M R Chawla  
Director

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AILANTUS HOTELS LIMITED**

**YEAR ENDED 31 MARCH 2018**

## **Opinion**

We have audited the financial statements of Ailantus Hotels Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the strategic report and the directors' report, but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AILANTUS HOTELS LIMITED**

**YEAR ENDED 31 MARCH 2018**

## **Opinions on other matters 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.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

## **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AILANTUS HOTELS LIMITED**

**YEAR ENDED 31 MARCH 2018**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Use of our report**

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.

David Gold BA, FCA (Senior statutory auditor)  
For and on behalf of Joseph Miller & Co, Statutory auditor  
Newcastle upon Tyne  
NE1 1LE  
21 December 2018



**AILANTUS HOTELS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2018**

	Note	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investments	4		2,242,357		2,242,357
<b>Current assets</b>					
Debtors	5	168,613		168,613	
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,410,969)</u>		<u>(2,410,969)</u>	
<b>Net current liabilities</b>			<u>(2,242,356)</u>		<u>(2,242,356)</u>
<b>Total assets less current liabilities</b>			<u>1</u>		<u>1</u>
<b>Capital and reserves</b>					
Called up share capital	7		<u>1</u>		<u>1</u>
<b>Members' funds</b>			<u>1</u>		<u>1</u>

The financial statements were approved by the board of directors and authorised for issue on 21 December 2018, and are signed on behalf of the board by:



Mr M R Chawla  
Director

Company registration number: 4930157

The notes on pages 8 to 10 form part of these financial statements.

**AILANTUS HOTELS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2018**

**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, 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 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.

**Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

**Financial instruments**

The company only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are measured initially at transaction value and subsequently measured at their settlement value.

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.

**AILANTUS HOTELS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2018**

**4. Investments**

	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2017 and 31 March 2018	<u>2,242,357</u>
<b>Impairment</b>	
At 1 April 2017 and 31 March 2018	<u>—</u>
<b>Carrying amount</b>	
At 31 March 2018	<u>2,242,357</u>
At 31 March 2017	<u>2,242,357</u>

**5. Debtors**

	2018 £	2017 £
Amounts owed by group undertakings	<u>168,613</u>	<u>168,613</u>

**6. Creditors: amounts falling due within one year**

	2018 £	2017 £
Amounts owed to group undertakings	<u>2,410,969</u>	<u>2,410,969</u>

**7. Called up share capital**

**Issued, called up and fully paid**

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</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.

**8. Reserves**

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

**AILANTUS HOTELS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2018**

**9. Related party transactions**

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

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 consists 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, Rohan Developments (Yorkshire) Limited and Ashton House Care Limited, companies registered in England. No transactions with these companies took place during the year.

**10. Controlling party**

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

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