

**Wittington Investments (Richmond Hill Hotel)
Limited**

**Directors' report and financial
statements**

Registered number 5467083

15 September 2018



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Directors' report

The directors present their directors' report and the audited financial statements for the 52 weeks ended 15 September 2018.

Principal activity

The principal activity is that of an investment company.

Business review and future developments

During the period, the main activity of the company remained unchanged and the directors expect that any future development will be related to this activity.

Trading results, dividends and transfer to reserves

The statement of comprehensive income for the period is set out on page 6. The profit on ordinary activities after tax amounted to £1,233,000 (2017: £1,054,000).

No dividend is recommended for the period.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors and directors' interests

The directors who held office during the period were as follows:

Guy Weston
Charles Mason
Stephen Hancock (deceased 11 February 2018)
Helen Gibson (appointed 1 October 2018)

Notification of an interest in the shares of this company and shares in or debentures of other group companies by the directors was not required because at the end of the period each was also a director of a company of which this company is a wholly owned subsidiary undertaking.

No director had at any time during the period any material interest in a contract with the company, other than service contracts.

Political and charitable contributions

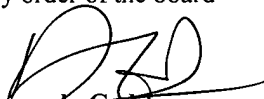
The company made no political or charitable donations or incurred any political expenditure during the year.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

The company was entitled to the small companies exemption not to prepare a strategic report under S414A of the Companies Act 2006 and has taken advantage of this exemption.

By order of the board



Amanda Geday

Secretary

15 January 2019

Weston Centre
10 Grosvenor Street
London W1K 4QY
UK

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Wittington Investments (Richmond Hill Hotel) Limited

Opinion

We have audited the financial statements of Wittington Investments (Richmond Hill Hotel) Limited for the year ended 15 September 2018 which comprise of the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 12, 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 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 15 September 2018 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.

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 below. 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 annual report, other than 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 this report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Wittington Investments (Richmond Hill Hotel) Limited (continued).

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 the other information; we are required to report that fact.

We have nothing to report in this regard.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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.
- 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 from the requirements to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

Independent auditor's report to the members of Wittington Investments (Richmond Hill Hotel) Limited (continued)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Matthew Williams (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
17 January 2019

Statement of Comprehensive Income

for the 52 weeks ended 15 September 2018

	<i>Note</i>	Period ended 15 September 2018 £000	Period ended 16 September 2017 £000
Rental Income	3	1,670	1,670
Administrative expenses		(144)	(125)
Operating profit		1,526	1,545
Profit before tax		1,526	1,545
Tax on profit	5	(293)	(491)
Profit after tax		1,233	1,054
Other comprehensive income		-	-
Total comprehensive income for the year		1,233	1,054

There are no recognised gains or losses other than the profit for the period and the previous period.

The profit on ordinary activities before tax relates entirely to continuing activities in each period.

Balance sheet

at 15 September 2018

	Note	15 September 2018		16 September 2017	
		£000	£000	£000	£000
Investments					
Investment property	6		28,500		28,500
Current assets					
Debtors	8	2,194		2,334	
Creditors: Amounts falling due within one year		(20,797)		(22,170)	
Net current liabilities			(18,603)		(19,836)
Net assets			9,897		8,664
Capital and reserves					
Called up share capital	10		-		-
Profit and loss account			5,635		4,402
Revaluation reserve			4,262		4,262
Shareholders' fund			9,897		8,664

These financial statements were approved by the board of directors on 15 January 2019 and were signed on its behalf by:



Guy Weston
 Director

Company registration number 5467083

Statement of Changes in Equity

	Called up Share capital £000	Revaluation reserve £000	Profit and loss account £000	Total equity £000
Balance at 17 September 2016	-	4,262	3,348	7,610
Total comprehensive income for the period				
Profit for the period	-	-	1,054	1,054
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	1,054	1,054
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 16 September 2017	-	4,262	4,402	8,664
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period				
Profit for the period	-	-	1,233	1,233
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	1,233	1,233
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 15 September 2018	-	4,262	5,635	9,897
	<hr/>	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared to 15 September 2018.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The presentation currency of these financial statements is sterling.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantages of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Wittington Investments Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Wittington Investments Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital (paragraph 79(a)(iv) of IAS);
- Disclosures in respect of transactions with wholly owned subsidiaries (paragraphs 17 and 18A of IAS 24 and the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member);
- Disclosures in respect of capital management (paragraph 134 - 136 of IAS 1);
- The effects of new but not yet effective IFRSs (paragraphs 30 and 31 of IAS 8);
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Wittington Investments Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by 7 Financial Instrument Disclosures.

Going Concern

The Company is dependent upon its ultimate parent company, Wittington Investments Limited ('Wittington') for continuing financial support. Wittington has provided the Company with an undertaking that it will continue to make available such funds as are needed by the Company for a period of 12 months from the date of accounts signing and accordingly the directors consider it appropriate to continue to adopt the going concern basis in preparing the company's financial statements.

Notes (continued)

(forming part of the financial statements)

2 Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Key estimates

- That the residual value of major components of investment property exceeds their book value so no depreciation is provided.
- The fair value disclosures relating to investment property.

Revenue

Rentals from operating leases are recognised on a straight line basis over the lease term.

Tax

Income tax on the profit for the period comprises current and deferred tax. Current tax is expected to be paid (or recovered) using tax rates and laws enacted, or substantively enacted, by the balance sheet date, together with any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences that exist at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured at the rate expected to apply in the period in which the temporary differences are realised. A deferred tax asset is recognised only to the extent that it is probable that future profits will be available against which the asset can be recognised.

Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less impairment. Impairment is considered with reference to the fair value of the property, estimated by an external valuer or the directors.

3 Rental income

	Period ended 15 September 2018 £000	Period ended 16 September 2017 £000
Rental income from subsidiary	1,670	1,670

The Richmond Hill Hotel is leased to Richmond Hill Hotel (Operations) Limited by Wittington Investments (Richmond Hill Hotel) Limited, a fellow subsidiary of Richmond Hill Hotel (Operations) Limited

Notes (continued)

4 Operating costs

The auditor's remuneration for the period was £1,500 (2017: £1,500). The auditor's remuneration is borne by the parent company.

The Company did not employ staff at any time during the period nor make any payments in respect of wages and salaries.

The directors of the company are remunerated by other group companies. Total remuneration attributable for services to this company is negligible.

5 Taxation

	52 weeks ended 15 September 2018 £000	52 weeks ended 16 September 2017 £000
Tax charge		
Current tax		
Tax charge	(283)	(293)
Adjustment for prior years	-	(2)
Deferred Tax		
Deferred tax charge	(6)	(8)
Adjustment for prior years	(4)	(188)
	<u>(293)</u>	<u>(491)</u>

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

	52 weeks ended 15 September 2018 £000	52 weeks ended 16 September 2017 £000
Profit before tax	1,526	1,545
Multiplied by the standard rate of corporation tax of 19% (2017: 19.5%)	(290)	(301)
Capital allowances	-	-
Items not allowable for corporation tax	1	-
Prior year adjustment	(4)	(190)
Tax charge	<u>(293)</u>	<u>(491)</u>

The current UK corporation tax rate is 19% and a reduction to 17% will take place from April 2020.

Notes (continued)

6 Investment property

	15 September 2018 £000	16 September 2017 £000
Investment property	28,500	28,500

The Richmond Hill Hotel is leased to Richmond Hill Hotel (Operations) Limited, a fellow subsidiary of Wittington Investments (Richmond Hill Hotel) Limited and as such has been classed as an investment property.

A valuation was performed by an appropriately qualified third party. The fair value of the investment property is estimated to be £39.4m calculated by reference to both the income capitalisation approach and market approach.

7 Operating leases

Future minimum rentals receivable under non – cancellable operating leases are as follows:

	Investment Property	Investment Property
	15 September 2018 £000	16 September 2017 £000
Not later than one year	1,670	1,670
After one year but not more than five years	1,670	3,340
After five years	-	-
	3,340	5,010

The Richmond Hill Hotel is leased to Richmond Hill Hotel (Operations) Limited by Wittington Investments (Richmond Hill Hotel) Limited, a fellow subsidiary of Richmond Hill Hotel (Operations) Limited

8 Debtors

	15 September 2018 £000	16 September 2017 £000
Amounts owed by group undertakings:		
Parent and fellow subsidiary undertakings	2,190	2,329
Other debtors	4	5
	2,194	2,334

Notes (continued)

9	Creditors		
	Amounts falling due within one year	15 September	16 September
		2018	2017
		£000	£000
	Amounts owed to group undertakings:		
	Parent and fellow subsidiary undertakings	20,299	21,679
	Corporation tax payable	490	491
	Accrued expenses	8	-
		<hr/>	<hr/>
		20,797	22,170
		<hr/>	<hr/>

Amounts owed to group undertakings are non-interest bearing and are payable on demand.

10	Called up share capital		
		15 September	16 September
		2018	2017
		£	£
	<i>Issued, allotted, called up and fully paid</i>		
	2 ordinary shares of £1 each	2	2
		<hr/>	<hr/>

- 11 Control**
 The largest group in which the results of the Company are consolidated is that headed by Wittington Investments Limited ('Wittington'), the accounts of which are available at Weston Centre, 10 Grosvenor Street, London W1K 4QY, UK. Wittington is the ultimate holding company, and is incorporated and registered as a limited company in England and Wales.

Wittington, and, through their control of Wittington, the trustees of the Garfield Weston Foundation ('the Foundation') are controlling shareholders of the Company. The majority shareholder of Wittington is Garfield Weston Foundation, a grant making trust and a registered charity. The Trustees of the Garfield Weston Foundation are Persons with Significant Control in relation to Wittington the immediate parent.

- 12 Registered Office**
 The registered office of the company is Weston Centre, 10 Grosvenor Street, London, UK, W1K 4QY.