

CHEQUERS NEWBURY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR TO 31 DECEMBER 2014

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CHEQUERS NEWBURY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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CHEQUERS NEWBURY LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their strategic report for the year ended 31 December 2014 of Chequers Newbury Limited ("the Company").

REVIEW OF THE BUSINESS

The principal activity of the company during the year was the operation of a hotel. The directors consider the level of business and the financial position at the year end to be improving on previous years.

The loss for the year was £209,768 (2013: £348,024). The directors recognise that the Company has made a loss for the year and in conjunction with the operator are looking to continue to improve future performance by increasing occupancy and reducing costs.

KEY PERFORMANCE INDICATORS

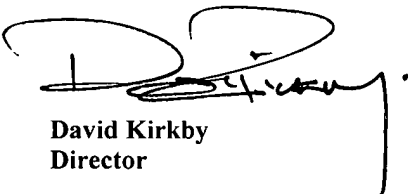
The key performance indicators for the Company are considered to be turnover and net profit:

	2014	2013
	£	£
Turnover	1,093,619	993,061
Net loss	(209,768)	(348,024)

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks faced by the Company are credit risk and market risk. Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The risk is mitigated by the Company by taking deposits at the time of booking for larger functions and by securing bookings with credit cards. The company relies on funding from its parent to meet its liabilities as they fall due. The Directors have received assurances from the parent entity that this funding will remain available for a period until at least 30 April 2016.

This report was approved by the directors on 28 April 2015 and signed on behalf of the directors by:


David Kirkby
Director

CHEQUERS NEWBURY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the audited financial statements for the year ended 31 December 2014.

RECOMMENDED DIVIDEND

The directors do not recommend a final dividend (2013: nil).

GOING CONCERN

The financial statements for the Company have been prepared on the going concern basis. The Company relies on funding from its parent to meet its liabilities as they fall due. The Directors have received assurances from the parent entity that this funding will remain available for a period until at least 30 April 2016.

DIRECTORS

The following were directors during the year:

Jonathan James Clarke
David Kirkby
Valsec Director Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Principles.

Company law requires the directors to prepare financial statements for each financial period which 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 those 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHEQUERS NEWBURY LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution to reappoint Ernst & Young LLP as auditors will be put to the directors at the Annual General Meeting.

This report was approved by the directors on 28 April 2015 and signed on behalf of the directors by:

A handwritten signature in black ink, appearing to read 'D. Kirkby', with a long horizontal stroke extending to the right.

David Kirkby
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHEQUERS NEWBURY LIMITED FOR THE YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of Chequers Newbury Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles).

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 Auditors' 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 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. 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Principles; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHEQUERS
NEWBURY LIMITED FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



*Eddie Diamond (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds
29 April 2015*

CHEQUERS NEWBURY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
TURNOVER	1	1,093,619	993,061
Cost of Sales		(593,947)	(596,179)
GROSS PROFIT		499,672	396,882
Administrative expenses		(709,440)	(744,906)
OPERATING LOSS		(209,768)	(348,024)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(209,768)	(348,024)
Taxation	4	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(209,768)	(348,024)

Amounts stated in the profit and loss account relate to continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

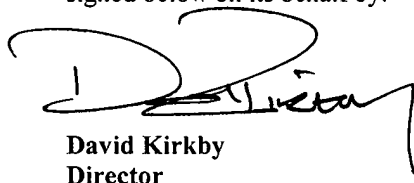
All of the activities of the Company are classed as continuing. The Company has no recognised gains or losses other than the result for the year as set out above.

CHEQUERS NEWBURY LIMITED
BALANCE SHEET
AT 31 DECEMBER 2014

Registered Number: 6001776

	Note	2014 £	2013 £
CURRENT ASSETS			
Stock	5	6,276	5,262
Debtors	6	159,039	138,498
Cash		695,027	551,890
		<u>860,342</u>	<u>695,650</u>
CREDITORS: amounts falling due within one year	7	<u>(3,812,621)</u>	<u>(3,438,161)</u>
NET CURRENT LIABILITIES		<u>(2,952,279)</u>	<u>(2,742,511)</u>
NET LIABILITIES		<u>(2,952,279)</u>	<u>(2,742,511)</u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account	9	<u>(2,952,281)</u>	<u>(2,742,513)</u>
EQUITY SHAREHOLDERS' DEFICIT	10	<u>(2,952,279)</u>	<u>(2,742,511)</u>

The financial statements were approved and authorised for issue by the Board of Directors on 28 April 2015 and were signed below on its behalf by:



David Kirkby
Director

CHEQUERS NEWBURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

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

Basis of preparation

The financial statements have been prepared in accordance with applicable UK accounting standards under the historical cost convention.

The financial statements for the Company have been prepared on the going concern basis. The Company relies on funding from its parent to meet its liabilities as they fall due. The Directors have received assurances from the parent company that this funding will remain available for a period until at least 30 April 2016.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted and substantially enacted at the balance sheet date.

Stock

Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Fixtures and fittings 2 - 5 years

Fixtures and Fittings are capitalised and depreciated over their estimated useful lives between 2 and 5 years.

Cashflow statement

The Company is exempt from the requirements of FRS1 (revised) and therefore has not prepared a cashflow statement as the results are consolidated into the accounts of the Osprey Limited Partnership who owns 100% of the share capital in the Company.

Revenue Recognition

Revenue represents food and beverage sales, room rental and other fee income during the year. Revenue and operating profit are both solely derived from continuing operations. The source of revenue is the United Kingdom.

CHEQUERS NEWBURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

2. LOSS ON ORDINARY ACTIVITIES

Audit fees for the year ended 31 December 2014 were £10,300 (2013: £10,206).

3. STAFF COSTS

	2014 £	2013 £
Wages and salaries	347,787	340,762
Social security costs	19,388	19,537
	<u>367,175</u>	<u>360,299</u>

The average monthly number of employees during the year was 27 (2013:29).

The asset manager, Equitis Limited, provides the directors of the Company and this service is included within the asset management fee borne by the parent entity.

4. TAX

(a) Tax on loss on ordinary activities

The tax charge is made up as follows:

	2014 £	2013 £
UK Corporation tax on results of the year	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is at the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%).

	2014 £	2013 £
Loss on ordinary activities before tax	(209,768)	(348,024)
Tax on loss on ordinary activities at standard UK corporation rate of 21.5% (2013: 23.25 %)	45,100	80,916
Tax losses not utilised	(45,100)	(80,916)
Tax charge for the year	<u>-</u>	<u>-</u>

(c) Factors affecting future tax charge

The Company has gross trading losses arising in the period of £209,768 (year ended 31 December 2013 – loss of £348,024) that are available indefinitely for offset against future taxable profits of the same trade. The accumulated gross tax losses of £2,952,281 (year ended 31 December 2013 – £2,742,513) have not been recognised on the basis that it is unlikely that suitable taxable profits will arise from which the deferred tax assets can crystallise in the near future.

The corporation tax rate effective from 1 April 2015 will be 20% this is the rate at which deferred tax would be provided at.

CHEQUERS NEWBURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

5. STOCK	2014	2013
	£	£
Raw materials and consumables	6,276	5,262
	<u> </u>	<u> </u>
6. DEBTORS	2014	2013
	£	£
Trade debtors	33,571	23,864
Prepayments and accrued income	125,468	114,634
	<u> </u>	<u> </u>
	159,039	138,498
	<u> </u>	<u> </u>
7. CREDITORS: amounts falling due within one year	2014	2013
	£	£
Trade creditors	38,931	40,858
Other taxes and social security	15,747	15,010
Amounts owed to group undertakings	3,729,246	3,352,430
Other creditors	5,498	5,036
Accruals and deferred income	23,199	24,827
	<u> </u>	<u> </u>
	3,812,621	3,438,161
	<u> </u>	<u> </u>
8. SHARE CAPITAL	2014	2013
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, issued and fully paid:		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>
9. RESERVES	Profit and loss	
	account	
	£	
At 1 January 2014	(2,742,513)	
Loss for the year	(209,768)	
	<u> </u>	
As at 31 December 2014	(2,952,281)	
	<u> </u>	

CHEQUERS NEWBURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

10. RECONCILIATION OF SHAREHOLDERS' DEFICIT	2014	2013
	£	£
Loss for the financial year	(209,768)	(348,024)
Movement in shareholders' deficit	(209,768)	(348,024)
Opening shareholders' deficit	(2,742,511)	(2,394,487)
Closing shareholders' deficit	<u>(2,952,279)</u>	<u>(2,742,511)</u>

11. RELATED PARTIES

The Company is exempt under FRS 8 from disclosing related party transactions with entities that are part of The Osprey Limited Partnership group. There were no other transactions with related parties during the year.

12. ULTIMATE PARENT UNDERTAKING

The ultimate and immediate parent undertaking is The Osprey Limited Partnership, a partnership registered in England and Wales.