

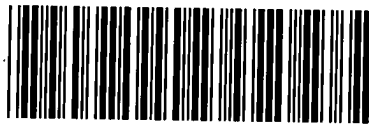
Registered number: 06731022

**CHESTER (HH) COUNTRY CLUB
LIMITED**

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2017

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COMPANIES HOUSE

**LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB**

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

| | Note | 2017 £ | 2016 £ |
|--|------|---------------------------|---------------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 484,286 | 484,286 |
| Current assets | | | |
| Cash at bank and in hand | 5 | 17,325 | 35,061 |
| Creditors: amounts falling due within one year | 6 | (2,756,123) | (2,766,223) |
| Net current liabilities | | <u>(2,738,798)</u> | <u>(2,731,162)</u> |
| Total assets less current liabilities | | <u>(2,254,512)</u> | <u>(2,246,876)</u> |
| Net liabilities | | <u><u>(2,254,512)</u></u> | <u><u>(2,246,876)</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 27,400 | 27,400 |
| Share premium account | | 81,211 | 81,211 |
| Profit and loss account | | (2,363,123) | (2,355,487) |
| | | <u><u>(2,254,512)</u></u> | <u><u>(2,246,876)</u></u> |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

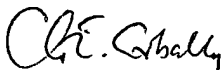
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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



Colin Corbally
 Director

Date: 28 June 2018

The notes on pages 2 to 6 form part of these financial statements.

CHESTER (HH) COUNTRY CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. General information

Chester (HH) Country Club Limited is a private company limited by shares and incorporated in England and Wales. The registered office and principal place of business is 6th Floor, St. Magnus House, 3 Lower Thames Street, London, EC3R 6HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The Company is reliant upon the support of its investors. The Company meets its day-to-day working capital requirements through the continuation of debenture loans provided to it by DONE Loans Limited.

After making enquiries, the directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future based on the continuing support provided to the Company by its investors.

The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 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.

Land is not depreciated. Depreciation on other assets 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:

| | |
|-------------------|---------------------------|
| Freehold property | - 50 years, 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

CHESTER (HH) COUNTRY CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.4 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 three months. 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.

2.5 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.6 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.

CHESTER (HH) COUNTRY CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to the profit and loss account 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.

2.8 Taxation

Tax is recognised in the profit and loss account, except that a charge 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 balance sheet 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 balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees during the period was nil.

CHESTER (HH) COUNTRY CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

4. Tangible fixed assets

| | Freehold land £ |
|--------------------------|--------------------------------|
| Cost or valuation | |
| At 1 October 2016 | 484,286 |
| At 30 September 2017 | <u>484,286</u> |
| Net book value | |
| At 30 September 2017 | <u>484,286</u> |
| At 30 September 2016 | <u>484,286</u> |

5. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|-------------------|-------------------|
| Cash at bank and in hand | <u>17,325</u> | <u>35,061</u> |

6. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------|-------------------|-------------------|
| Loan notes | 2,184,000 | 2,184,000 |
| Interest accrued | 531,790 | 531,790 |
| Trade creditors | 38,533 | 38,533 |
| Accruals and deferred income | 1,800 | 11,900 |
| | <u>2,756,123</u> | <u>2,766,223</u> |

Creditors of £2.184m (2016 - £2.184m) in the table above represent amounts redeemable in respect of convertible loan notes. The loan notes may be redeemed at the option of the note holders, with written notice to the Company of 10 business days, and are therefore classified as repayable on demand. The loan notes may be converted into 'A' ordinary shares, with each £1 loan note being converted into one £0.01 'A' ordinary share.

The convertible loan notes are secured by way of a fixed and floating charge, dated 12 December 2008, over all current and future assets of the company.

CHESTER (HH) COUNTRY CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

7. Share capital

| | 2017 £ | 2016 £ |
|--|-----------|-----------|
| Allotted, called up and fully paid | | |
| 1,740,000 Ordinary A shares of £0.01 each | 17,400 | 17,400 |
| 1,600,000 Ordinary shares of £0.00625 each | 10,000 | 10,000 |
| | <hr/> | <hr/> |
| | 27,400 | 27,400 |
| | <hr/> | <hr/> |

8. Controlling party

In the opinion of the directors, there is no overall controlling party.

9. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.