

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
GHG LONDON MANAGEMENT LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2015**

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**GHG LONDON MANAGEMENT LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**DIRECTORS:**

P A F Harris  
S Macdonald

**SECRETARY:**

Banks Cooper Associates Ltd

**REGISTERED OFFICE:**

5th Floor  
55 King Street  
Manchester  
Lancashire  
M2 4LQ

**REGISTERED NUMBER:**

08723531 (England and Wales)

**AUDITORS:**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report with the financial statements of the company for the year ended 31 December 2015.

**PRINCIPAL ACTIVITY**

During the period, the company has been preparing to operate a hotel and private members club located in central London, and which is currently under construction.

**DIRECTORS**

P A F Harris has held office during the whole of the period from 1 January 2015 to the date of this report.

Other changes in directors holding office are as follows:

S Macdonald was appointed as a director after 31 December 2015 but prior to the date of this report.

G A J Emmett ceased to be a director after 31 December 2015 but prior to the date of this report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

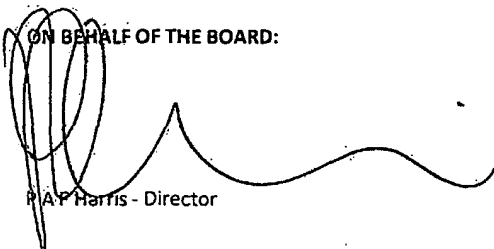
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

BDO LLP have been appointed as the auditors of the company. Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts, whichever is the earlier.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



P A F Harris - Director

28 September 2016

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
GHG LONDON MANAGEMENT LIMITED**

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We have audited the financial statements of GHG London Management Limited for the year ended 31 December 2015 which comprise the Statement of Profit or Loss and Other 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 Accounting 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](http://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 loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**BDO LLP**

Geraint Jones (Senior Statutory Auditor)  
for and on behalf of BDO LLP  
55 Baker Street  
London  
W1U 7EU

**29** September 2016

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015

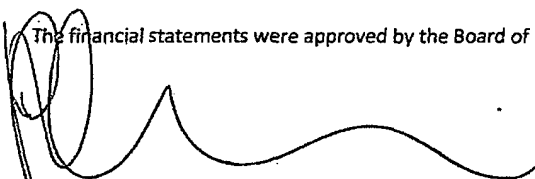
		Year Ended 31.12.15 £	Period 8.10.13 to 31.12.14 £
	Notes		
<b>CONTINUING OPERATIONS</b>			
Revenue		-	-
Administrative expenses		(155,744)	(53,975)
<b>OPERATING LOSS</b>		(155,744)	(53,975)
<b>LOSS BEFORE INCOME TAX</b>		(155,744)	(53,975)
Income tax	4	-	-
<b>LOSS FOR THE YEAR</b>		(155,744)	(53,975)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		(155,744)	(53,975)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2015

	Notes	31.12.15 £	31.12.14 £
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	13	11
<b>TOTAL ASSETS</b>		<u>13</u>	<u>11</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	6	1	1
Retained earnings	7	(209,719)	(53,975)
<b>TOTAL EQUITY</b>		<u>(209,718)</u>	<u>(53,974)</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	8	209,731	53,985
<b>TOTAL LIABILITIES</b>		<u>209,731</u>	<u>53,985</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>13</u>	<u>11</u>

The financial statements were approved by the Board of Directors on 28 September 2016 and were signed on its behalf by:



P A F Harris - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital £	Retained earnings £	Total equity £
<b>Changes in equity</b>			
Issue of share capital	1	-	1
Total comprehensive income	-	(53,975)	(53,975)
<b>Balance at 31 December 2014</b>	<u>1</u>	<u>(53,975)</u>	<u>(53,974)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(155,744)	(155,744)
<b>Balance at 31 December 2015</b>	<u>1</u>	<u>(209,719)</u>	<u>(209,718)</u>

The notes form part of these financial statements



**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

		Year Ended 31.12.15 £	Period 8.10.13 to 31.12.14 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(155,744)	(53,975)
Net cash from operating activities		<u>(155,744)</u>	<u>(53,975)</u>
<b>Cash flows from financing activities</b>			
Share issue		-	1
Balance with group companies		155,746	53,985
Net cash from financing activities		<u>155,746</u>	<u>53,986</u>
<b>Increase in cash and cash equivalents</b>		<u>2</u>	<u>11</u>
Cash and cash equivalents at beginning of year	2	11	-
<b>Cash and cash equivalents at end of year</b>	2	<u><u>13</u></u>	<u><u>11</u></u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.12.15 £	Period 8.10.13 to 31.12.14 £
Loss before income tax	(155,744)	(53,975)
Cash generated from operations	<u>(155,744)</u>	<u>(53,975)</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2015**

	31.12.15 £	1.1.15 £
Cash and cash equivalents	<u>13</u>	<u>11</u>

**Period ended 31 December 2014**

	31.12.14 £	8.10.13 £
Cash and cash equivalents	<u>11</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. GENERAL INFORMATION**

GHG London Management Limited is a company incorporated in England and Wales with registered number 08723531.

*The address of the registered office is disclosed on page 1 of these financial statements, and the principal activity of the company is described in the Directors report.*

*The functional and presentational currency of the company is £ sterling.*

**2. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared under the going concern principle although the liabilities of the company exceed its assets. The company is reliant on the continued support of its parent company. The directors are confident that such support will continue to be provided. The directors consider that the going concern concept continues to be appropriate and this has therefore been applied. In making this assessment, the directors have also considered the future performance of the business. If the going concern basis proves not to be appropriate, adjustments would have to be made to reduce the balance sheet value of assets to their recoverable amounts and to provide for any further liabilities that might arise.

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Indicators that a trade receivable is impaired include significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments.

**Trade and other payables**

Trade payables and other payables are classified as 'Trade and other payables'. These are measured at amortised cost and the interest expense is recognised by applying the appropriate interest rate of the contractual arrangement.

**Interest-bearing loans and borrowings**

Obligations for loans and borrowings are recognised when the Company becomes party to the related contract, and are measured initially at fair value, net of any attributable transaction costs incurred. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method, with any differences between the proceeds, net of transaction cost, and the redemption value being recognised over the period of borrowings. Interest-bearing loans and borrowings are classified as current unless the Company has an unconditional right to defer payment for a period of at least twelve months from the end of the accounting period.

**Interest**

Interest costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of that asset, until such time as the asset is substantially ready for its intended use.

All other interest costs are dealt with in the income statement for the period.

**Share capital**

Ordinary shares are classed as equity.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES - continued

**Financial risk management**

The Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Company's operations whilst managing its financial risks, including interest rate risk, market risk, credit risk, liquidity risk, price risk and cash flow risk.

**Interest rate risk**

The Company's interest rate risk arises primarily from its borrowings. Borrowings at variable rate expose the Company to cash flow interest rate risk. Borrowings at fixed rates expose the Company to fair value interest rate risk.

**Credit risk**

The Company's exposure to credit risk arises mainly from cash holdings. The Company's cash holdings are all held with major financial institutions whose financial status is regularly reviewed. The Company's exposure to credit risk here is the remote possibility of default of the deposit taker, with a maximum exposure equal to the carrying value of these holdings as set out in note 5.

**Currency Risk**

Fluctuations in exchange rates can have an impact on the Company. Transactions in a currency other than the Company's functional currency can give rise to transactional currency exposure for the Company's financial assets and liabilities.

**Liquidity and cash flow risks**

The Company maintains a certain level of cash to meet working capital requirements on a day to day basis. Borrowing facilities and cash flow requirements are regularly reviewed to ensure sufficient funds are available.

**Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to raise further capital if required.

3. EMPLOYEES AND DIRECTORS

During the period, the company incurred no staff costs or directors remuneration.

4. INCOME TAX

**Analysis of tax expense**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the period ended 31 December 2014.

Subject to the agreement of HMRC, the company has tax losses of £78,549 available to carry forward against future profits. No deferred tax asset has been recognised in respect of these losses.

5. CASH AND CASH EQUIVALENTS

	31.12.15	31.12.14
	£	£
Bank accounts	13	11
	<u>13</u>	<u>11</u>

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.15	31.12.14
			£	£
1	Ordinary	£1	1	1
			<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015

7. RESERVES

	Retained earnings £
At 1 January 2015	(53,975)
Deficit for the year	(155,744)
At 31 December 2015	<u>(209,719)</u>

8. TRADE AND OTHER PAYABLES

	31.12.15 £	31.12.14 £
Non-current:		
Amounts owed to group undertakings	<u>209,731</u>	<u>53,985</u>

9. ULTIMATE PARENT COMPANY

The ultimate parent company is GHG London Holdings Limited, a company incorporated in the Isle of Man.

10. RELATED PARTY DISCLOSURES

During the period the company's parent company, GHG London Holdings Limited, has made payments on behalf of the company.

At 31 December 2015, the amount outstanding to GHG London Holdings Limited was £209,731, (2014 - £53,985).