

Registered number: 08825078

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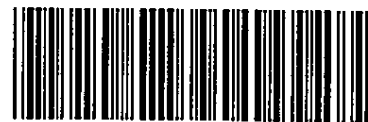
## **LTH HOTELS (DERBY) LTD**

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### **SMALL COMPANY FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**LTH HOTELS (DERBY) LTD**

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**COMPANY INFORMATION**

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**Director** Koolesh D Shah (appointed 23 December 2013)

**Company secretary** Koolesh D Shah

**Registered number** 08825078

**Registered office** 8-14 Talbot Square  
London  
W2 1TS

**Independent auditor** Crowe Clark Whitehill LLP  
St Brde's House  
10 Salisbury Square  
London  
EC4Y 8EH

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**LTH HOTELS (DERBY) LTD**

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**CONTENTS**

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	<b>Page</b>
<b>Balance sheet</b>	<b>1 - 2</b>
<b>Notes to the financial statements</b>	<b>3 - 11</b>

**LTH HOTELS (DERBY) LTD**  
**REGISTERED NUMBER: 08825078**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	4	3,553,667	3,629,119
		<u>3,553,667</u>	<u>3,629,119</u>
<b>Current assets</b>			
Debtors amounts falling due after more than one year	5	45,726	45,726
Debtors amounts falling due within one year	5	29,923	44,277
Cash at bank and in hand	6	178,563	260,594
		<u>254,212</u>	<u>350,597</u>
Creditors amounts falling due within one year	7	(249,518)	(1,150,560)
<b>Net current assets/(liabilities)</b>		<u>4,694</u>	<u>(799,963)</u>
<b>Total assets less current liabilities</b>		<u>3,558,361</u>	<u>2,829,156</u>
Creditors amounts falling due after more than one year	8	(1,594,233)	(793,499)
<b>Provisions for liabilities</b>			
Deferred tax		(371,932)	(422,117)
		<u>(371,932)</u>	<u>(422,117)</u>
<b>Net assets</b>		<u><u>1,592,196</u></u>	<u><u>1,613,540</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Revaluation reserve		1,613,568	1,565,721
Profit and loss account		(21,373)	47,818
		<u>1,592,196</u>	<u>1,613,540</u>

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**LTH HOTELS (DERBY) LTD**  
**REGISTERED NUMBER: 08825078**

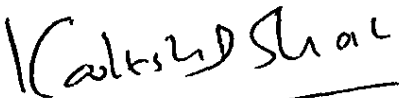
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**BALANCE SHEET (continued)**  
**AS AT 31 DECEMBER 2015**

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The company's annual accounts and reports have been delivered to the registrar in accordance with the provisions applicable to companies subject to the small companies regime and the directors have not delivered to the registrar a copy of the company's profit and loss account

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 September 2016.



**Koolesh D Shah**  
Director

The notes on pages 3 to 11 form part of these financial statements

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## **LTH HOTELS (DERBY) LTD**

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

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#### **1. General information**

The principal activity of the company in the period under review was that of hoteliers and renting of properties in the United Kingdom

The company is a private limited company (registered number 08825078), which is incorporated and domiciled in the UK. The address of the registered office is 8-14 Talbot Square, London, W2 1TS

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of long leasehold property and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006

This is the first year in which the financial statements have been prepared under FRS102. Refer to note 12 for an explanation of the transition.

The auditor's report that was included in the annual accounts and reports delivered to the director was unqualified. The audit report was issued by Crowe Clark Whitehill LLP and was signed by Nigel Bostock

##### **2.2 Going concern**

The director has considered the financial position of the company and the financial statements have been prepared assuming that the company will continue as a going concern

In making this assumption, he has considered the future trading prospects for the company, and the continued support of the company bankers and fellow group companies

##### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue of the hotel arose wholly in the United Kingdom and is derived primarily from the rental of rooms and sale of food and beverage. Revenue is recognised when rooms are occupied and when food and beverages are sold. Revenue relating to rental income arose wholly in the United Kingdom and is derived primarily from the rental of commercial units

##### **2.4 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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred

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## **LTH HOTELS (DERBY) LTD**

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

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#### **2. Accounting policies (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on either a straight line basis or a reducing balances basis

Depreciation is provided on the following basis

L/Term Leasehold Property	- 2% straight line on cost/revaluation
Plant & machinery	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance

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 within 'other operating income' in the Income Statement.

#### **2.5 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken either by professionally qualified valuers or director valuations.

Revaluation gains and losses are recognised in the Income Statement unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

#### **2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **2.7 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 24 hours. 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.

#### **2.8 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.

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## LTH HOTELS (DERBY) LTD

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

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#### 2. Accounting policies (continued)

##### 2.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties

When payments are eventually made, they are charged to the provision carried in the Balance sheet

##### 2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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. Auditor's remuneration

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>6,053</u>	<u>5,000</u>



**LTH HOTELS (DERBY) LTD**

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

**4. Tangible fixed assets**

	Long Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 January 2015	3,010,051	469,562	304,738	3,784,351
Additions	97,267	728	7,687	105,682
At 31 December 2015	3,107,318	470,290	312,425	3,890,033
<b>Depreciation</b>				
At 1 January 2015	10,051	88,043	57,138	155,232
Charge owned for the period	21,751	95,603	63,780	181,134
At 31 December 2015	31,802	183,646	120,918	336,366
<b>Net book value</b>				
At 31 December 2015	3,075,516	286,644	191,507	3,553,667
At 31 December 2014	3,000,000	381,519	247,600	3,629,119

The net book value of land and building may be further analysed as follows

	2015 £	2014 £
Long leasehold	3,075,516	3,000,000
	<u>3,075,516</u>	<u>3,000,000</u>

Cost or valuation at 31 December 2015 is as follows

	Land and buildings £
At cost	1,127,309
At valuation:	
Revaluations to 31 December 2015	1,948,207
	<u>3,075,516</u>

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**LTH HOTELS (DERBY) LTD**

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

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**4. Tangible fixed assets (continued)**

The valuation in the year is based on a director's valuation

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2015 £	2014 £
Cost	1,127,309	1,030,042
Accumulated depreciation	(21,323)	(10,050)
Net book value	<u>1,105,986</u>	<u>1,019,992</u>

**5. Debtors**

	2015 £	2014 £
Due after more than one year		
Amounts owed by group undertakings	45,726	45,726
	<u>45,726</u>	<u>45,726</u>

	2015 £	2014 £
Due within one year		
Trade debtors	4,357	25,021
Prepayments and accrued income	25,566	19,256
	<u>29,923</u>	<u>44,277</u>

There are no allowances for doubtful debts or reversals of allowances for doubtful debts in 2015 or 2014

**6. Cash and cash equivalents**

	2015 £	2014 £
Cash at bank and in hand	178,563	260,594
	<u>178,563</u>	<u>260,594</u>

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**LTH HOTELS (DERBY) LTD**

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

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**7. Creditors: Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>65,000</b>	<b>1,000,000</b>
Trade creditors	<b>40,138</b>	<b>52,678</b>
Corporation tax	<b>-</b>	<b>5,082</b>
Taxation and social security	<b>26,071</b>	<b>28,788</b>
Other creditors	<b>19,091</b>	<b>11,842</b>
Accruals and deferred income	<b>99,218</b>	<b>52,170</b>
	<b>249,518</b>	<b>1,150,560</b>

**8. Creditors: Amounts falling due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>1,435,000</b>	<b>-</b>
Amounts owed to group undertakings	<b>159,233</b>	<b>793,499</b>
	<b>1,594,233</b>	<b>793,499</b>

**Secured loans**

In April 2015, the company borrowed £1,500,000 which was utilised to refinance its previous debt with the bank. This loan will be repaid by monthly installments over the period of five years starting with the first repayment in May 2016.

The loan is secured by a fixed charge over the company's leasehold property and other tangible fixed assets.

**LTH HOTELS (DERBY) LTD**

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

**9. Loans**

Analysis of the maturity of loans is given below

	2015 £	2014 £
<b>Amounts falling due within one year</b>		
Bank loans	65,000	1,000,000
	<u>65,000</u>	<u>1,000,000</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	1,435,000	-
	<u>1,435,000</u>	<u>-</u>

**10. Deferred taxation**

	Deferred tax £
At 1 January 2015	(422,117)
Charged to the profit or loss	2,338
Charged to other comprehensive income	47,847
<b>At 31 December 2015</b>	<u><u>(371,932)</u></u>

The provision for deferred taxation is made up as follows

	2015 £	2014 £
Deferred tax brought forward	(422,117)	-
Deferred tax prior year over provision	50,185	(422,117)
	<u><u>(371,932)</u></u>	<u><u>(422,117)</u></u>

The deferred tax liability arises in respect of revaluations of leasehold property which includes the legacy deferred tax liability on amounts previously revalued

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**LTH HOTELS (DERBY) LTD**

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

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**11. Parent undertaking**

London Town Group of Companies Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of London Town Group of Companies Limited can be obtained from 8-14 Talbot Square, London W2 1 TS

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**LTH HOTELS (DERBY) LTD**

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

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**12. Transition to FRS 102**

The Company transitioned to FRS 102 from previously extant UK GAAP as at 31 December 2014. The impact of the transition to FRS 102 is as follows:

**Reconciliation of equity at 31 December 2014**

	Note	£
Equity at 31 December 2014 under previous UK GAAP		2,027,828
To recognise deferred tax in respect of revalued land and buildings in the prior year as a consequence of FRS102		(414,288)
<b>Equity shareholders funds at 31 December 2014 under FRS 102</b>		<b>1,613,540</b>

The following were changes in accounting policies arising from the transition to FRS 102:

1. The movements relate to the provision of deferred tax in respect of revalued land and buildings in the prior year as a consequence of FRS102.