

Registered number: 09055962

LTH (PADDINGTON) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

TUESDAY



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COMPANIES HOUSE

LTH (PADDINGTON) LIMITED

COMPANY INFORMATION

Director	K Shah
Registered number	09055962
Registered office	8-14 Talbot Square London W2 1TS
Independent auditor	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

LTH (PADDINGTON) LIMITED

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LTH (PADDINGTON) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents his report and the financial statements for the year ended 31 December 2017.

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Director

The director who served during the year was:

K Shah

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

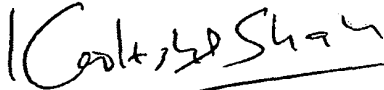
Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

LTH (PADDINGTON) LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

This report was approved by the board on 3 May 2018 and signed on its behalf.



K. Shah
Director

LTH (PADDINGTON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LTH (PADDINGTON) LIMITED

Opinion

We have audited the financial statements of LTH (Paddington) Limited (the 'Company') for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Balance sheet and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss 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. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

LTH (PADDINGTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LTH (PADDINGTON) LIMITED
(CONTINUED)**

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has 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 Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement on page 1, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

LTH (PADDINGTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LTH (PADDINGTON) LIMITED
(CONTINUED)**

Auditors' 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: 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.

Nigel Bostock

Nigel Bostock (Senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

3 May 2018

LTH (PADDINGTON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Administrative expenses		(92,983)	(102,434)
Operating loss		(92,983)	(102,434)
Interest payable and expenses		(2,165,893)	(2,192,397)
Loss before tax		(2,258,876)	(2,294,831)
Loss for the financial year		(2,258,876)	(2,294,831)

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 8 to 13 form part of these financial statements.

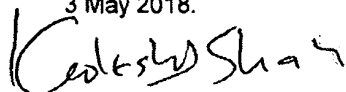
LTH (PADDINGTON) LIMITED
REGISTERED NUMBER: 09055962

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Fixed Asset Investments	5	75,000,200	75,000,200
		<u>75,000,200</u>	<u>75,000,200</u>
Current assets			
Debtors: amounts falling due after more than one year	6	9,843,839	9,843,839
Debtors: amounts falling due within one year	6	-	127
Cash at bank and in hand	7	1,068	2,910
		<u>9,844,907</u>	<u>9,846,876</u>
Creditors: amounts falling due within one year	8	(455,272)	(456,034)
Net current assets		<u>9,389,635</u>	<u>9,390,842</u>
Total assets less current liabilities		<u>84,389,835</u>	<u>84,391,042</u>
Creditors: amounts falling due after more than one year	9	(60,754,751)	(58,497,082)
Net assets		<u><u>23,635,084</u></u>	<u><u>25,893,960</u></u>
Capital and reserves			
Called up share capital		31,922,100	31,922,100
Profit and loss account		(8,287,016)	(6,028,140)
		<u><u>23,635,084</u></u>	<u><u>25,893,960</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on 3 May 2018.



K Shah
Director

The notes on pages 8 to 13 form part of these financial statements.

LTH (PADDINGTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

The principal activity of the company is that of a holding company of a group which is engaged in the operations of hotels and the rental of properties in the United Kingdom.

The company is a private limited company (registered number 09055962), 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 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 director has considered the financial positing 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 of the company, and the continued support of the other group companies.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.4 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.

2.5 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.

2.6 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

LTH (PADDINGTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.6 Financial instruments (continued)

third parties, loans to related parties and investments in non-puttable ordinary shares.

2.7 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.

2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.9 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

3. Employees

The Company has no employees other than the director, who did not receive any remuneration (2016 - £NIL).

4. Taxation

	2017 £	2016 £
Total current tax	-	-

LTH (PADDINGTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - *lower than*) the standard rate of corporation tax in the UK of 19.2466% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	<u>(2,258,876)</u>	<u>(2,294,831)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.2466% (2016 - 20%)	(434,756)	(458,966)
Effects of:		
Permanent Differences	24,934	-
Group relief	409,822	458,966
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017	75,000,200
At 31 December 2017	<u>75,000,200</u>
Net book value	
At 31 December 2017	<u>75,000,200</u>
At 31 December 2016	<u>75,000,200</u>

LTH (PADDINGTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Debtors

	2017 £	2016 £
Due after more than one year		
Amounts owed by group undertakings	9,843,839	9,843,839
	<u>9,843,839</u>	<u>9,843,839</u>
	2017 £	2016 £
Due within one year		
Other debtors	-	127
	<u>-</u>	<u>127</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	1,068	2,910
	<u>1,068</u>	<u>2,910</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	762
Accruals and deferred income	455,272	455,272
	<u>455,272</u>	<u>456,034</u>

LTH (PADDINGTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Bank loans	43,746,615	43,658,859
Amounts owed to group undertakings	17,008,136	14,838,223
	<u>60,754,751</u>	<u>58,497,082</u>

Secured loans

The loan is secured by a fixed charge over the group's freehold property and floating charges over the remaining assets of the group.

10. Loans

Analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due 1-2 years		
Bank loans	43,746,615	43,658,859
	<u>43,746,615</u>	<u>43,658,859</u>
	<u>43,746,615</u>	<u>43,658,859</u>

11. Related party transactions

The company has taken advantage of the exemption in FRS102 Section 33.1A from the requirement to disclose the transactions between two or more members of the group, as all members are wholly owned subsidiaries of the ultimate parent company.

LTH (PADDINGTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Controlling party

The immediate parent undertaking is London Town Hotels Limited, a company incorporated in England and Wales. The ultimate parent undertaking is London Town Group of Companies Holdings Limited, a company incorporated in England and Wales.

London Town Group of Companies Holdings Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2017. The consolidated financial statements of London Town Group Of Companies Holdings Limited can be obtained from 8-14 Talbot Square, London W2 1TS.

London Town Group of Companies Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2017. The consolidated financial statements of London Town Group of Companies Limited can be obtained from 8-14 Talbot Square, London W2 1TS.

In the director's opinion the ultimate controlling party is Auro Trust, a trust outside of the UK.