

Strategic Report, Directors' Report and
Financial Statements for the Year Ended 31 December 2016
for
City Suites Holdco Limited

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Contents of the Financial Statements
for the Year Ended 31 December 2016

	Page
Company information	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities	4
Independent auditor's report	5
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11

City Suites Holdco Limited

Company Information
for the Year Ended 31 December 2016

Directors:	Mr G P Beswick Mr M C Dawson Mr M D Stott
Secretary:	Mr G P Beswick
Registered office:	The Box Horseshoe Lane Alderley Edge Cheshire SK9 7QP
Registered number:	09421066 (England and Wales)
Independent auditor:	Ernst & Young LLP 2 St Peters Square Manchester M2 3EY
Solicitors:	Shoosmiths LLP The XYZ Building 2 Hardman Boulevard Spinningfields Manchester M3 3AZ

City Suites Holdco Limited

Strategic Report **for the Year Ended 31 December 2016**

The directors present their strategic report for the year ended 31 December 2016.

Review of business

City Suites Holdco Limited is based in England, and is a wholly owned subsidiary of City Suites Limited which in turn is a wholly owned subsidiary of Select Property Group (Holdings) Limited.

The principal activity of the Company in the year under review was that of property development.

The profit before tax for the year ended 31 December 2016 was £9,916k (2015: £nil).

Key Performance indicators (KPIs)

The directors measure the performance by reviewing sales and also gross profit. During the year, sales were £51,064k (2015: £nil) and gross profit £9,921k (2015: £nil).

Principal risks and uncertainties

The principal financial risks and uncertainties that the Company faces are credit risk and liquidity risk.

The Company faces operational risks and uncertainties which the Directors take all reasonable steps possible to mitigate, however the Directors recognise that they can never be eliminated completely. These risks are not expected to have a material effect on the Company's future operations.

The Company operates in the property market and therefore faces market risk relating to the property industry. However, the Company mitigates this risk by focussing on products that are in well performing markets, diversifying or narrowing its product range to reduce the risk associated with the relevant markets.

By order of the board:



Mr M C Dawson - Director

29 September 2017

City Suites Holdco Limited

Directors' Report **for the Year Ended 31 December 2016**

The directors present their report with the financial statements of the Company for the year ended 31 December 2016.

The Company is based in England, and is a wholly owned subsidiary of City Suites Limited. City Suites Limited is a wholly owned subsidiary of Select Property Group (Holdings) Limited.

City Suites Holdco Limited is a private company, limited by shares.

Dividends

No dividends will be distributed for the year ended 31 December 2016.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Mr G P Beswick
Mr M C Dawson
Mr M D Stott

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 auditor is 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 auditor is aware of that information.

Auditor

The auditors, Ernst & Young LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

By order of the board;

A handwritten signature in black ink, appearing to be 'M C Dawson', written over a horizontal line.

Mr M C Dawson - Director

29 September 2017

Statement of Directors' Responsibilities
for the Year Ended 31 December 2016

The directors are responsible for preparing the Directors' report 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;
- state whether international financial reporting standards as adopted by the European Union 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY SUITES HOLDCO LIMITED

We have audited the financial statements of City Suites Holdco Limited for the year ended 31 December 2016 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 1 to 17. 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 Strategic Report, Directors' Report and Audited 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 2016 and of its profit 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 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared are consistent with the financial statements.

- ▶ the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

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.



Alastair John Richard Nuttall (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester
29 September 2017

City Suites Holdco Limited

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2016

		Year ended 31/12/16 £'000	Period 4/2/15 to 31/12/15 £'000
	Notes		
Continuing operations			
Revenue		51,064	-
Cost of sales		(41,143)	-
Gross profit		9,921	-
Other operating income		1	-
Administrative expenses		(6)	-
Operating profit		9,916	-
Profit before income tax	3	9,916	-
Income tax	4	-	-
Profit for the year		9,916	-
Other comprehensive income		-	-
Total comprehensive income for the year		9,916	-

The notes on pages 11 to 21 form part of these financial statements

Statement of Financial Position
31 December 2016

	Notes	2016 £'000	2015 £'000
Assets			
Current assets			
Inventories	5	12,591	-
Trade and other receivables	6	13,883	-
		<u>26,474</u>	<u>-</u>
Total assets		<u>26,474</u>	<u>-</u>
Equity			
Shareholders' equity			
Called up share capital	7	-	-
Retained earnings	8	9,916	-
Total equity		<u>9,916</u>	<u>-</u>
Liabilities			
Non-current liabilities			
Provisions	12	937	-
Current liabilities			
Trade and other payables	9	9,124	-
Financial liabilities - borrowings			
Interest bearing loans and borrowings	10	5,979	-
Provisions	12	518	-
		<u>15,621</u>	<u>-</u>
Total liabilities		<u>16,558</u>	<u>-</u>
Total equity and liabilities		<u>26,474</u>	<u>-</u>

The financial statements were approved by the Board of Directors on 29 September 2017 and were signed on its behalf by:



Mr M C Dawson - Director

The notes on pages 11 to 21 form part of these financial statements

City Suites Holdco Limited

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Retained earnings £'000	Total equity £'000
Changes in equity		
Balance at 31 December 2015	-	-
Changes in equity		
Total comprehensive income	9,916	9,916
Balance at 31 December 2016	9,916	9,916

The notes on pages 11 to 21 form part of these financial statements

City Suites Holdco Limited

Statement of Cash Flows
for the Year Ended 31 December 2016

	Year ended 31/12/16 £'000	Period 4/2/15 to 31/12/15 £'000
Cash flows from operating activities		
Cash generated from operations 17	(5,979)	-
Net cash from operating activities	(5,979)	-
Cash flows from financing activities		
New loans in year	31,487	-
Loan repayments in year	(24,931)	-
Financing costs	(577)	-
Net cash from financing activities	5,979	-
Increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-

The notes on pages 11 to 21 form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. 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.

The Company is incorporated and domiciled in the UK.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The Directors' have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern.

The Directors' therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Functional and presentational currency

The Company's financial statements are presented in Sterling, which is the Company's functional currency.

Accounting Standards Update

A number of updates to standards or interpretations were in issue as at 31 December 2016.

The following new or amended standards and interpretations, are effective for the first time for the period ended 31 December 2016 and have been applied in preparing these financial statements. The adoption of these standards and interpretations has not had a material effect on the financial statements of the Company.

Change in Standard or Interpretation	Effective Date*
IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception - Amendments	01-Jan-16
IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments	01-Jan-16
IFRS 11 Accounting for Acquisitions of Interests in Joint Operations - Amendments	01-Jan-16
IAS 1 Disclosure in Financial Statements - Amendments	01-Jan-16
IAS 16 and IAS 38 Acceptable methods of Depreciation and Amortisation - Amendments	01-Jan-16
IAS 27 Equity Method in Separate Financial Statements - Amendments	01-Jan-16
Annual improvements to IFRSs 2012 to 2014 Cycle	01-Jan-16

The following new or amended standards and interpretations, are not yet effective for the period ended 31 December 2016 and have not been applied in preparing these financial statements. The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the financial statements of the Company in the period of initial application.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

1. Accounting policies - continued

Change in Standard or Interpretation	Effective date *
IFRS 15 Revenue from Contracts with Customers	01-Jan-18
IFRS 9 Financial Instruments: Classification and Measurement	01-Jan-18
IFRS 16 Leases	01-Jan-19

*Effective for annual periods beginning on or after this date

Use of estimates and judgements

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. There are no significant estimates or assumptions used in preparing these financial statements.

Revenue recognition

IFRIC 15 determines whether an arrangement for the construction of real estate should be accounted for under IAS 11 or IAS 18.

As IFRIC 15 states that to account under IAS 11, the buyer must have the ability to specify the major structural elements of the design of the real estate prior to construction commencing, this is not applicable to the Company, and therefore revenue must be accounted for under IAS 18.

IAS 18 states that if the Company is required to provide services along with the construction materials in order to perform its contractual obligation to deliver real estate to the buyer, then this should be accounted for as the sale of goods, as detailed below:

Revenue from the sale of units is recognised in the statement of comprehensive income when the risk and rewards of ownership have transferred to the buyer. This arises on completion of the property when legal title is transferred to the buyer. Ground rent revenue is recognised on a straight line basis from the completion date. Revenue from the sale of freehold/long leasehold property is recognised at the completion of the sale.

Reservation fees, deposits and instalments received are held as deferred income until completion of the property.

Financial instruments

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at a suitable effective interest rate. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Financial liabilities (including payables)

Financial liabilities (including borrowings and trade and other payables) are measured at amortised cost, using the effective interest method where applicable.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

1. Accounting policies - continued

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Borrowing costs

Borrowing costs directly attributable to the construction of property are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2. Employees and directors

There were no staff costs for the year ended 31 December 2016 nor for the period ended 31 December 2015.

The company had no employees during the current or prior period.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. Employees and directors - continued

	Year ended 31/12/16 £	Period 4/2/15 to 31/12/15 £
Directors' remuneration	-	-

The Directors received emoluments and accrued pension benefits from Select Property Group Limited (a fellow subsidiary of the Group headed by Select Property Group (Holdings) Limited), for services rendered to all Group companies.

3. Profit before income tax

The profit before income tax is stated after charging:

	Year ended 31/12/16 £'000	Period 4/2/15 to 31/12/15 £'000
Cost of inventories recognised as expense	41,143	-
Audit fees	4	-

There were no non audit services, performed by the Auditor, incurred by the entity in the current or prior period.

4. Income tax

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2016 nor for the period ended 31 December 2015.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

4. Income tax - continued

Factors affecting the tax expense

The tax assessed for the year is lower (2015 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 31/12/16 £'000
Profit before income tax	9,916
Profit multiplied by the standard rate of corporation tax in the UK of 20%	1,983
Effects of: Group relief	(1,983)
Tax expense	-

The standard rate of Corporation Tax in the UK remained at 20% for 2016. Accordingly, the Company results for this accounting period are taxed at 20%. The reduction of the main rate of corporation tax from 20% to 19% from 1 April 2017 was announced in the Summer Finance Bill 2015 and substantively enacted on 26 October 2015. It was announced in the March 2016 budget that from 1 April 2020, corporation tax will reduce to 17%. Future profits will be taxed at the appropriate rate. Deferred tax as at 31 December 2016 have been calculated at a rate at which the deferred tax is expected to reverse.

5. Inventories

	2016 £'000	2015 £'000
Properties under development	12,059	-
Capitalised borrowing costs	532	-
	12,591	-

6. Trade and other receivables

	2016 £'000	2015 £'000
Current:		
Amounts owed by group undertakings	13,644	-
Other debtors	239	-
	13,883	-

City Suites Holdco Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

7. Called up share capital

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
100	A Ordinary	£1	<u>100</u>	<u>100</u>

8. Reserves

	Retained earnings £'000
Profit for the year	<u>9,916</u>
At 31 December 2016	<u>9,916</u>

9. Trade and other payables

	2016 £'000	2015 £'000
Current:		
Other creditors	5	-
Deferred income	4,000	-
Accruals	<u>5,119</u>	<u>-</u>
	<u>9,124</u>	<u>-</u>

10. Financial liabilities - borrowings

	2016 £'000	2015 £'000
Current:		
Other loans	5,999	-
Unamortised costs	<u>(20)</u>	<u>-</u>
	<u>5,979</u>	<u>-</u>

City Suites Holdco Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. Financial liabilities - borrowings - continued

Terms and debt repayment schedule

	1 year or less £'000
Other loans	5,999
Unamortised costs	(20)
	<hr/>
	5,979
	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

11. Financial instruments

Financial risk management

The Company has exposure to the followings risks from its use of financial instruments:

Credit risk

Liquidity risk

The Board has overall responsibility for establishing appropriate management of exposure to risk.

Capital management

The Company's objectives in managing its capital are to provide adequate returns to the shareholders by operating the business at a predetermined optimal level, by ensuring the present revenue stream from operations continues to increase and by effectively collecting its receivables as agreed with debtors.

At a subsidiary level capital is defined as Equity as shown in the balance sheet. Dividends are paid provided adequate resources remain to sustain the Company's development.

Financial instruments policy

All instruments utilised by the Company are for financing purposes. The day-to-day financial management and treasury are controlled centrally for all operations.

Fair value of financial instruments

As at 31 December 2016, the Company had no other financial instruments other than those disclosed below (2015: £nil). The carrying value of all financial instruments in these financial statements is considered to approximate to their fair value.

	2016 £'000	2015 £'000
Financial Assets		
Trade and other receivables	13,883	-
Financial Liabilities		
Borrowings	5,979	-
Trade and other payables	5,124	-
Provisions	1,455	-

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from intra-group companies. Due to the nature of these receivables, management does not consider the credit risk on these receivables to be high.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

11. Financial instruments - continued

Exposure to credit risk

The carrying value of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2016 £'000	2015 £'000
Other receivables	13,883	-

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risks by regular reviews of forecast cash flows in line with contractual maturities of financial liabilities and credit facilities available. Forecast cash flows are reported to the Board on a regular basis.

The following are the contractual maturities of financial liabilities of the Company:

	Carrying amount £'000	Contractual cash flows £'000	3 months or less £'000	3-12 months £'000	1-2 years £'000	2-5 years £'000
At 31 December 2016						
Other payables	5,124	5,124	20	5,104	-	-
Borrowings	5,979	5,999	1,499	4,500	-	-
Provisions	1,455	1,455	153	365	485	452

Sensitivity analysis

The Company does not have any liabilities which are exposed to external risk factors, such as interest rate movements, for this reason, the Directors do not feel that it is appropriate to complete sensitivity analysis.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

12. Provisions

	2016	2015
	£'000	£'000
Other provisions	1,455	-
	<hr/>	<hr/>
Analysed as follows:		
Current	518	-
Non-current	937	-
	<hr/>	<hr/>
	1,455	-
	<hr/>	<hr/>
	2016	2015
	£'000	£'000
Rental Guarantee Provision		
At the start of the period	-	-
Provided for	1,455	-
	<hr/>	<hr/>
At the end of the period	1,455	-
	<hr/>	<hr/>

The Company is party to agreements whereby any shortfall in rental returns, payable to investors relating to leases held, is guaranteed and payable by the Company. Therefore, the Company recognises a provision for any such shortfall, based on the estimated rental shortfall for the total period of the guaranteed rental return.

The provisions include assumptions on future rental income and future costs. The rental guarantee provision is expected to be fully utilised by December 2019.

13. Ultimate parent company

The immediate parent undertaking is City Suites Limited and the ultimate parent undertaking is Select Property Group (Holdings) Limited incorporated in the UK.

The largest and smallest Group in which the results of the Company are consolidated is that headed by Select Property Group (Holdings) Limited, incorporated in the UK. The consolidated financial statements of this company are available to the public and may be obtained from The Registrar of Companies, Companies House, Cardiff, CF4 3UZ.

14. Capital commitments

At 31 December 2016, the Company had capital commitments of £2.7m (2015: £nil) relating to construction contracts entered into but not completed.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

15. Related party disclosures

The Directors consider Select Property Group (Holdings) Limited and all of its subsidiaries and joint ventures to be related parties of the Company.

The following balances with related parties existed at the year end:

31 December 2016	Purchase of inventory £'000	Prepaid Commission £'000	Intercompany balance £'000
City Suites Manchester Limited	(19,799)	-	13,644
Select Property Group Limited	-	(2,046)	-
Select Money Limited	-	(27)	-

A negative balance indicates an amount payable by the Company. A positive balance indicates an amount receivable to the Company.

All related party balances are unsecured and all transactions are carried out on an arms-length basis.

16. Events after the reporting period

There have been no significant events between the period end and the date of approval of these financial statements which would require a change to the accounts.

17. Reconciliation of profit before income tax to cash generated from operations

	Year ended 31/12/16 £'000	Period 4/2/15 to 31/12/15 £'000
Profit before income tax	9,916	-
Increase in provisions	1,455	-
	11,371	-
Increase in inventories	(12,591)	-
Increase in trade and other receivables	(13,883)	-
Increase in trade and other payables	9,124	-
Cash generated from operations	(5,979)	-