

REGISTERED NUMBER: 10449423 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
BGAM HOTELS (KW) LTD**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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BGAM HOTELS (KW) LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTORS:

J D Levy
J P Levy
M D Rubin
N S Rubin
L M Becker
C A Lewis
A R Rubin

REGISTERED OFFICE:

Greenhill House
90/93 Cowcross Street
London
EC1M 6BF

REGISTERED NUMBER:

10449423 (England and Wales)

AUDITORS:

Goldwyns Limited
Statutory Auditors
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their strategic report for the year ended 31 December 2018.

ON BEHALF OF THE BOARD:

J D Levy - Director

25 September 2019

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

DIVIDENDS

Interim dividends of £42.50 per share were paid during the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the period ended 31 December 2018 will be £161,500.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

J D Levy
J P Levy
M D Rubin
N S Rubin
L M Becker
C A Lewis

Other changes in directors holding office are as follows:

A R Rubin - appointed 19 November 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

AUDITORS

The auditors, Goldwyns Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J D Levy - Director

25 September 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BGAM HOTELS (KW) LTD

Opinion

We have audited the financial statements of BGAM Hotels (KW) Ltd (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 2018 and of its profit 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 Auditors' 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 UK, including the FRC'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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.

Opinions 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 the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BGAM HOTELS (KW) LTD

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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 a Report of the Auditors 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 Report of the Auditors.

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 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.

S Blundell ACA (Senior Statutory Auditor)
for and on behalf of Goldwyns Limited
Statutory Auditors
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ

25 September 2019

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

		YEAR ENDED 31/12/18 £	PERIOD 27/10/16 TO 31/12/17 £
	Notes		
TURNOVER		-	-
Administrative expenses		423	3,690
OPERATING LOSS	4	(423)	(3,690)
Income from shares in group undertakings		381,500 381,077	280,000 276,310
Interest payable and similar expenses	5	231,481	182,580
PROFIT BEFORE TAXATION		149,596	93,730
Tax on profit	6	-	-
PROFIT FOR THE FINANCIAL YEAR		149,596	93,730
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		149,596	93,730

**BALANCE SHEET
31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Investments	8		6,117,176		6,117,176
CURRENT ASSETS					
Debtors	9	3,737,788		3,916,283	
Cash at bank		-		9	
		<u>3,737,788</u>		<u>3,916,292</u>	
CREDITORS					
Amounts falling due within one year	10	<u>4,041,991</u>		<u>3,995,200</u>	
NET CURRENT LIABILITIES			<u>(304,203)</u>		<u>(78,908)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,812,973		6,038,268
CREDITORS					
Amounts falling due after more than one year	11		<u>5,811,109</u>		<u>6,024,500</u>
NET ASSETS			<u>1,864</u>		<u>13,768</u>
CAPITAL AND RESERVES					
Called up share capital	13		38		38
Retained earnings	14		<u>1,826</u>		<u>13,730</u>
SHAREHOLDERS' FUNDS			<u>1,864</u>		<u>13,768</u>

The financial statements were approved by the Board of Directors on 25 September 2019 and were signed on its behalf by:

J D Levy - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	38	-	38
Dividends	-	(80,000)	(80,000)
Total comprehensive income	-	93,730	93,730
Balance at 31 December 2017	38	13,730	13,768
Changes in equity			
Dividends	-	(161,500)	(161,500)
Total comprehensive income	-	149,596	149,596
Balance at 31 December 2018	38	1,826	1,864

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUTORY INFORMATION

BGAM Hotels KW Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The group trades from its property in Kenilworth, Warwick.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2018 nor for the period ended 31 December 2017.

	YEAR ENDED 31/12/18 £	PERIOD 27/10/16 TO 31/12/17 £
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	YEAR ENDED 31/12/18 £	PERIOD 27/10/16 TO 31/12/17 £
Auditors' remuneration	-	3,000
Formation costs	<u>-</u>	<u>600</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	YEAR ENDED 31/12/18 £	PERIOD 27/10/16 TO 31/12/17 £
Bank loan interest	<u>231,481</u>	<u>182,580</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2018 nor for the period ended 31 December 2017.

7. DIVIDENDS

	YEAR ENDED 31/12/18 £	PERIOD 27/10/16 TO 31/12/17 £
"A" Ordinary shares of 1p each Interim	<u>161,500</u>	<u>80,000</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2018	
and 31 December 2018	<u>6,117,176</u>
NET BOOK VALUE	
At 31 December 2018	<u>6,117,176</u>
At 31 December 2017	<u>6,117,176</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Khanna Enterprises (Kenilworth) Limited

Registered office: Greenhill House, 90/93 Cowcross Street, London EC1M 6BF

Nature of business: Hotel

	%
Class of shares:	holding
Ordinary	100.00

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Amounts owed by group undertakings	3,687,413	3,850,408
Prepayments	<u>50,375</u>	<u>65,875</u>
	<u>3,737,788</u>	<u>3,916,283</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts (see note 12)	221,691	175,500
Other creditors	3,611,801	3,611,801
Directors' current accounts	199,999	199,999
Accrued expenses	<u>8,500</u>	<u>7,900</u>
	<u>4,041,991</u>	<u>3,995,200</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans (see note 12)	<u>5,811,109</u>	<u>6,024,500</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year or on demand:		
Bank overdrafts	91	-
Bank loans	<u>221,600</u>	<u>175,500</u>
	<u>221,691</u>	<u>175,500</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>5,811,109</u>	<u>6,024,500</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
3,800	"A" Ordinary	1p	<u>38</u>	<u>38</u>

14. RESERVES

	Retained earnings £
At 1 January 2018	13,730
Profit for the year	149,596
Dividends	<u>(161,500)</u>
At 31 December 2018	<u>1,826</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.