

GH 230817 Limited

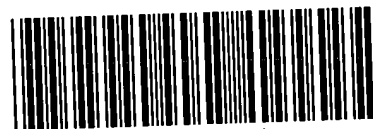
Directors' Report and Financial Statements

Year Ended

31 December 2018

Company Number SC568161

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GH 230817 Limited

Company Information

Directors	S Pasricha D A Kemp
Registered number	SC568161
Registered office	The Gleneagles Hotel Auchterarder Perthshire PH3 1NF
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU

GH 230817 Limited

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GH 230817 Limited

Directors' Report For the Year Ended 31 December 2018

The directors present their report and the financial statements for the year to 31 December 2018.

Directors' responsibilities statement

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 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;
- state whether applicable UK Accounting Standards have been followed;
- 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.

Principal activity

The principal activity of the company during the year was the development of property.

Directors

The directors who served during the year were:

C H B Oakshett (Resigned 27 April 2018)
S Pasricha
D A Kemp (appointed 27 April 2018)

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director 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 auditors are aware of that information.

GH 230817 Limited

Directors' Report For the Year Ended 31 December 2018


Auditors

KPMG LLP resigned as auditor of the company during the year and BDO LLP were appointed as auditor by the directors. BDO LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

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



.....
S Pasricha
Director

Date: 25 April 2019

GH 230817 Limited

Independent Auditor's report to the members of GH 230817 Limited

We have audited the financial statements of GH 230817 Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 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 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 included in the directors' report and financial statements, 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 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

GH 230817 Limited

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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors were 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 Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

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, and for such internal control as the Directors determine 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 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.

Auditor's 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 at the Financial Reporting Council's website at: <https://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.



Mark RA Edwards (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom

Date: 29/04/2019

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

GH 230817 Limited

Statement of Comprehensive Income For the Year Ended 31 December 2018

		Year Ended 31 st December 2018 £	Period Ended 31 st December 2017 £
	Notes		
Administrative expenses		(59,852)	(1,056)
Operating loss	4	(59,852)	(1,056)
Tax credit on loss	5	9,714	-
Loss for the financial year		<u>(50,138)</u>	<u>(1,056)</u>

All amounts relate to continuing operations.

There was no other comprehensive income for the year.

The notes on pages 8 to 14 form part of these financial statements.

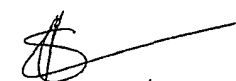
GH 230817 Limited

Statement of Financial Position As at 31 December 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	6	13,843,628	10,838,316
Current assets			
Debtors	7	252,843	90,526
Cash at bank		332,697	-
		<u>585,540</u>	<u>90,526</u>
Creditors: amounts falling due within one year	8	<u>(14,373,459)</u>	<u>(10,929,897)</u>
Net current liabilities		<u>(13,787,919)</u>	<u>(10,839,371)</u>
Total assets less current liabilities		<u>55,709</u>	<u>(1,055)</u>
Provisions for liabilities			
Deferred tax	9	(106,902)	-
Net liabilities		<u>(51,193)</u>	<u>(1,055)</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	(51,194)	(1,056)
Shareholders' deficit		<u>(51,193)</u>	<u>(1,055)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S Pasricha

Director

Company registered number: SC568161

Date: 25 April 2019

The notes on pages 8 to 14 form part of these financial statements.

GH 230817 Limited

Statement of Changes in Equity For the Year Ended 31 December 2018

	Share capital	Profit and loss account	Total equity
	£	£	£
Loss for the period	-	(1,056)	(1,056)
Shares issued during the period	1	-	1
At 31 December 2017	<u><u>1</u></u>	<u><u>(1,056)</u></u>	<u><u>(1,055)</u></u>
Loss for the year	-	(50,138)	(50,138)
At 31 December 2018	<u><u>1</u></u>	<u><u>(51,194)</u></u>	<u><u>(51,193)</u></u>

The notes on pages 8 to 14 form part of these financial statements.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

1. General information

GH 230817 Limited ("the company") is a private company incorporated, domiciled and registered in Scotland in the UK. The registered number is SC568161 and the registered address is The Gleneagles Hotel, Auchterarder, Perthshire PH3 1NF. The company's principal activity is set out in the directors' report.

The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest pound.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of GH Holdings 1 Limited as at 31 December 2018 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2.3 Going concern

At the reporting date, the company had net current liabilities of £13,787,919 (2017: £10,839,371). The company is developing a property and is reliant on funding indirectly received from its parent company, GH Holdings 1, in order to fund this development. The directors have reviewed the cashflow projections prepared by management for the company's development project. The company's ultimate parent company have committed to providing funding and the directors have received confirmation from the parent group that the funding will be made available for the company to ensure it can meet its liabilities as they fall due. On this basis the directors have concluded it is appropriate to prepare the financial statements on a going concern basis.

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

Land and assets in the course of construction are not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

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

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2.7 Creditors

Short term creditors are measured at the transaction price. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

2.8 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge 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 reporting 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 statement of financial position 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 reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Operating loss

Amounts receivable by the Company's auditor and its associates in respect of:

Audit of financial statements - £3,500 (PY £3,500, paid by a related company)

The company has no employees. No directors received any remuneration from the company in the year.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

5. Taxation

	2018 £	2017 £
Current tax		
Current tax credit on loss for the year	92,286	-
Adjustments in respect of prior periods	<u>24,330</u>	<u>-</u>
Total current tax	<u>116,616</u>	<u>-</u>
Deferred tax (see note 9)		
Origination and reversal of timing differences	(82,572)	-
Adjustments in respect of prior periods	<u>(24,330)</u>	<u>-</u>
Total deferred tax	<u>(106,902)</u>	<u>-</u>
Total tax	<u>9,714</u>	<u>-</u>

All tax recognised above relates to UK corporation tax.

Factors affecting tax credit for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	<u>(59,852)</u>	<u>(1,056)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.25%)	(11,372)	(203)
Effects of:		
Expenses not deductible for tax purposes	-	203
Group relief surrendered	92,286	-
Receipt for group relief	(92,286)	-
Deferred tax not recognised	10,176	-
Reduction in tax rate on deferred tax balances	<u>(8,518)</u>	<u>-</u>
	<u>(9,714)</u>	<u>-</u>

The company has an unrecognised deferred tax asset of £10,176 (2017: £Nil) from pre-trading losses. The asset would be recovered in the event of future taxable profits against which the losses and other timing differences could be relieved.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

6. Tangible fixed assets

	Freehold property £	Assets under construction £	Total £
Cost or valuation			
Brought forward at 31 December 2017	10,670,415	167,901	10,838,316
Additions	-	3,005,312	3,005,312
At 31 December 2018	<u>10,670,415</u>	<u>3,173,213</u>	<u>13,843,628</u>

Net book value

At 31 December 2017	<u>10,670,415</u>	<u>167,901</u>	<u>10,838,316</u>
At 31 December 2018	<u>10,670,415</u>	<u>3,173,213</u>	<u>13,843,628</u>

The company has acquired a property which is under development. Therefore, no depreciation has been charged during the period in respect of this asset under construction.

7. Debtors

	2018 £	2017 £
Other debtors	252,843	45,702
Prepayments and accrued income	<u>-</u>	<u>44,824</u>
	<u>252,843</u>	<u>90,526</u>

All debtors are due within one year.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	4,509	3,989
Amounts owed to group undertakings	14,211,080	10,922,591
Accruals and deferred income	157,870	3,317
	<u>14,373,459</u>	<u>10,929,897</u>

The immediate parent company has made a loan to GH 230817 Ltd. Interest is accrued daily on the loan at 4%. The loan is repayable on demand.

9. Deferred tax

Deferred tax liabilities are attributable to the following:

	2018 £	2017 £
Accelerated capital allowances	(106,902)	-

10. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

11. Reserves

Profit and loss account

This represents cumulative profits or losses, net of dividends paid and other adjustments.

GH 230817 Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

12. Related party transactions

The company is related to Ennismore International Management Limited (Ennismore) by virtue of the fact that Ennismore is controlled by a director of the company. During the period, Ennismore charged the company £890,077 (2017: £200,000) in respect of management and other services. At the year end the balance due to Ennismore was £75,157 (2017: Nil).

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

13. Controlling party

The largest group in which the results the company are consolidated is that headed by Bharti Overseas Private Limited, a company incorporated in India. Copies of the Bharti Overseas Private Limited consolidated accounts are available to the public and may be obtained from the Ministry of Corporate Affairs, India.

The smallest group in which the results are consolidated is that headed by GH Holdings 1 Limited, a company registered in England and Wales. The consolidated accounts of GH Holdings 1 Limited are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

14. Capital Commitments

At the 31st December 2018 the company was committed to £2,102,103 (2017: £Nil) in capital contracts.