

## **Firoka (Oxford Hotels) Limited**

Report and Financial Statements

Period Ended

29 September 2016

Company Number 03658747

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# Firoka (Oxford Hotels) Limited

## Company Information

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<b>Directors</b>	F A Kassam A Lowry A D Tawakley F F Kassam
<b>Company secretary</b>	A Lowry
<b>Registered number</b>	03658747
<b>Registered office</b>	1 Kings Cross Road London WC1X 9HX
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

# **Firoka (Oxford Hotels) Limited**

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# **Firoka (Oxford Hotels) Limited**

## **Directors' Report for the Period Ended 29 September 2016**

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The directors present their report and the financial statements for the period ended 29 September 2016.

### **Principal activities**

The principal activity of the company in the year under review was that of the operation of a hotel.

### **Results and dividends**

The profit for the period, after taxation, amounted to £1,146,891 (2015 -£250,981).

A dividend of £1,100,000 (2015 - 2,000,000) was paid during the year.

### **Charitable contributions**

During the year the company made charitable contributions of £nil (2015 - £1m) to the Aga Khan Foundation (UK).

### **Directors**

The directors who served during the period were:

F A Kassam  
A Lowry  
A D Tawakley  
F F Kassam

### **Directors' responsibilities**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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.

# Firoka (Oxford Hotels) Limited

## Directors' Report (continued) for the Period Ended 29 September 2016

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### Disclosure of information to auditor

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

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

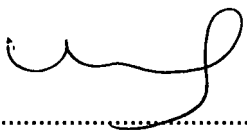
### Auditor

The auditor, 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.

  
.....  
**A Lowry**  
Director

Date: 23<sup>rd</sup> March 2017

# **Firoka (Oxford Hotels) Limited**

## **Independent Auditor's Report to the Members of Firoka (Oxford Hotels) Limited**

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We have audited the financial statements of Firoka (Oxford Hotels) Limited for the 53 week period ended 29 September 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors**

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 29 September 2016 and of its profit for the period 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# Firoka (Oxford Hotels) Limited

## Independent Auditor's Report to the Members of Firoka (Oxford Hotels) Limited

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### Matters on which we are required to report by exception

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; or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

David Gill (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

Date: 24/3/17

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

# Firoka (Oxford Hotels) Limited

## Statement of Comprehensive Income for the Period Ended 29 September 2016

	Note	2016 £	2015 £
Turnover	4	3,477,013	3,374,515
Cost of sales		(1,023,293)	(963,269)
<b>Gross profit</b>		<b>2,453,720</b>	<b>2,411,246</b>
Administrative expenses		(1,111,790)	(1,082,287)
Exceptional administrative expenses	11	-	(1,000,000)
Total administrative expenses		(1,111,790)	(2,082,287)
<b>Operating profit</b>	5	<b>1,341,930</b>	<b>328,959</b>
Interest receivable and similar income	7	3,037	8,724
Interest payable and similar charges	8	-	(616)
<b>Profit before tax</b>		<b>1,344,967</b>	<b>337,067</b>
Tax on profit	9	(198,076)	(86,086)
<b>Profit for the period</b>		<b>1,146,891</b>	<b>250,981</b>
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>1,146,891</b>	<b>250,981</b>

The notes on pages 8 to 17 form part of these financial statements.



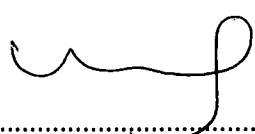
# Firoka (Oxford Hotels) Limited

Registered number: 03658747

## Statement of Financial Position As at 29 September 2016


		29 September 2016 £	24 September 2015 £
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	12	3,421,185	3,548,755
<b>Current assets</b>			
Stocks	13	5,152	5,251
Debtors: amounts falling due within one year	14	253,532	394,160
Cash at bank and in hand		1,235,749	805,235
		<u>1,494,433</u>	<u>1,204,646</u>
Creditors: amounts falling due within one year	15	(636,041)	(481,305)
<b>Net current assets</b>		<u>858,392</u>	<u>723,341</u>
<b>Total assets less current liabilities</b>		<u>4,279,577</u>	<u>4,272,096</u>
<b>Provisions for liabilities</b>			
Deferred tax	16	(189,942)	(229,352)
<b>Net assets</b>		<u><u>4,089,635</u></u>	<u><u>4,042,744</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	100,000	100,000
Profit and loss account	18	3,989,635	3,942,744
		<u><u>4,089,635</u></u>	<u><u>4,042,744</u></u>

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



.....

**A Lowry**  
Director



.....

**A D Tawakley**  
Director

Date: 23<sup>rd</sup> March 2017

The notes on pages 8 to 17 form part of these financial statements.

## Firoka (Oxford Hotels) Limited

### Statement of Changes in Equity for the Period Ended 29 September 2016

	Called up share capital £	Profit and loss account £	Total equity £
At 25 September 2015	100,000	3,942,744	4,042,744
<b>Comprehensive income for the period</b>			
Profit for the period	-	1,146,891	1,146,891
<b>Contributions by and distributions to owners</b>			
Interim dividends	-	(1,100,000)	(1,100,000)
<b>At 29 September 2016</b>	<u>100,000</u>	<u>3,989,635</u>	<u>4,089,635</u>

### Statement of Changes in Equity for the Period Ended 24 September 2015

	Called up share capital £	Profit and loss account £	Total equity £
At 26 September 2014	100,000	5,691,763	5,791,763
<b>Comprehensive income for the period</b>			
Profit for the period	-	250,981	250,981
<b>Contributions by and distributions to owners</b>			
Interim dividends	-	(2,000,000)	(2,000,000)
<b>At 24 September 2015</b>	<u>100,000</u>	<u>3,942,744</u>	<u>4,042,744</u>

The notes on pages 8 to 17 form part of these financial statements.

# **Firoka (Oxford Hotels) Limited**

## **Notes to the Financial Statements for the Period Ended 29 September 2016**

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### **1. General information**

Firoka (Oxford Hotels) Limited is a company incorporated in England under the Companies Act 2006. The address of the registered office is stated on the company information page and the nature of the company's operations and its principal activities are stated in the directors' report.

### **2. Accounting policies**

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

The financial statements have been prepared under the historical cost convention 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.

Information on the impact of first-time adoption of FRS 102 is given in note 21.

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 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 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Firoka (London Park) Limited as at 29 September 2016 and these financial statements may be obtained from Companies House.

#### **2.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Turnover is recognised at the point at which goods and services are delivered to the customer.

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

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### 2. Accounting policies (continued)

#### 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 the statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Building core	- 2% straight line
Building surface finishes & services	- 4% straight line
Plant & machinery	- 10% on written down value
Fixtures & fittings	- 15% straight line
Computer equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

#### 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

#### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

# **Firoka (Oxford Hotels) Limited**

## **Notes to the Financial Statements for the Period Ended 29 September 2016**

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

#### **2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### **2.8 Creditors**

Short term creditors are measured at the transaction price.

#### **2.9 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.

#### **2.10 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### **2.11 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

#### **2.12 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the 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 reporting 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.

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

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### 2. Accounting policies (continued)

#### 2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

### 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.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 12)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### 4. Turnover

All turnover is attributable to the company's principal activity and arose within the United Kingdom.

### 5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of owned tangible fixed assets	150,070	154,519
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	14,750	14,750

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

### 6. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	365,302	327,407
Social security costs	28,909	24,951
	<u>394,211</u>	<u>352,358</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2016 No.	2015 No.
Administration	3	3
Operations	14	16
	<u>17</u>	<u>19</u>

During the period, the directors received remuneration from a related undertaking, Firoka (Kings Cross) Limited, in respect of their services as directors to the company. A management charge of £81,181 (2015 - £88,551) was recognised in the company's financial statements in respect of these emoluments.

### 7. Interest receivable

	2016 £	2015 £
Other interest receivable	<u>3,037</u>	<u>8,724</u>

### 8. Interest payable and similar charges

	2016 £	2015 £
Other interest payable	<u>-</u>	<u>616</u>

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

### 9. Taxation

	2016 £	2015 £
<b>Corporation tax</b>		
Current tax on profits for the year	242,107	95,601
Adjustments in respect of previous periods	(4,621)	5
<b>Total current tax</b>	<u>237,486</u>	<u>95,606</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(3,617)	(8,594)
Adjustments in respect of prior periods	(1,635)	(926)
Effect of tax rate change on opening balance	(34,158)	-
<b>Total deferred tax</b>	<u>(39,410)</u>	<u>(9,520)</u>
<b>Taxation on profit on ordinary activities</b>	<u><u>198,076</u></u>	<u><u>86,086</u></u>

#### Factors affecting tax charge for the period

The tax assessed for the period is lower than (2015 -higher than) the standard rate of corporation tax in the UK of 20% (2015 -20.5%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,344,967</u>	<u>337,067</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 -20.5%)	268,993	69,099
<b>Effects of:</b>		
Expenses not deductible for tax purposes	18,877	17,131
Adjustments to tax charge in respect of prior periods	(4,621)	5
Adjust opening/closing deferred tax to average rate	(33,519)	(43)
Group relief	(50,019)	-
Transfer pricing adjustments	-	820
Adjustments to tax charge in respect of prior periods - deferred tax	(1,635)	(926)
<b>Total tax charge for the period</b>	<u><u>198,076</u></u>	<u><u>86,086</u></u>



# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

### 10. Dividends

	29 September 2016 £	24 September 2015 £
Interim dividends paid on equity capital	1,100,000	2,000,000
Interim dividends paid in the period on equity capital of £11 per share (2015 - £20 per share)		

### 11. Exceptional items

	2016 £	2015 £
Charity donations	-	1,000,000

### 12. Tangible fixed assets

	Freehold property £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 25 September 2015	5,435,114	31,253	642,962	6,109,329
Additions	-	-	22,500	22,500
At 29 September 2016	5,435,114	31,253	665,462	6,131,829
<b>Depreciation</b>				
At 25 September 2015	1,894,105	23,513	642,956	2,560,574
Charge for the period	143,671	774	5,625	150,070
At 29 September 2016	2,037,776	24,287	648,581	2,710,644
<b>Net book value</b>				
At 29 September 2016	3,397,338	6,966	16,881	3,421,185
At 24 September 2015	3,541,009	7,740	6	3,548,755

Included in land and buildings is freehold land at cost of £101,000 (2015 - £101,100) which is not depreciated.

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

### 13. Stocks

	29 September 2016 £	24 September 2015 £
Consumables and operating equipment	5,152	5,251

Stock recognised in cost of sales during the period as an expense was £128,870 (2015 -£109,924).

### 14. Debtors

	29 September 2016 £	24 September 2015 £
Trade debtors	180,038	155,150
Other debtors	-	200,000
Prepayments and accrued income	73,494	39,010
	<u>253,532</u>	<u>394,160</u>

Included within the trade debtors balance is a provision for bad debts of £10,000 (2015 - £16,475).

### 15. Creditors: Amounts falling due within one year

	29 September 2016 £	24 September 2015 £
Trade creditors	134,518	84,250
Corporation tax	120,518	35,212
Taxation and social security	56,581	128,844
Accruals and deferred income	324,424	232,999
	<u>636,041</u>	<u>481,305</u>

# Firoka (Oxford Hotels) Limited

## Notes to the Financial Statements for the Period Ended 29 September 2016

### 16. Deferred taxation

	2016 £	2015 £
At beginning of year	229,352	238,872
Charged to the statement of comprehensive income	(39,410)	(9,520)
<b>At end of year</b>	<b>189,942</b>	<b>229,352</b>

The provision for deferred taxation is made up as follows:

	29 September 2016 £	24 September 2015 £
Accelerated capital allowances	191,642	232,893
Other short term timing differences	(1,700)	(3,541)
	<b>189,942</b>	<b>229,352</b>

### 17. Share capital

	29 September 2016 £	24 September 2015 £
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary shares of £1 each	100,000	100,000

### 18. Reserves

#### Profit and loss account

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

### 19. Related party transactions

Firoka (Oxford Hotels) Limited was charged £81,181 (2015 - £88,551) by Firoka (Kings Cross) Limited, a company under common control, for administrative costs.

As at the year end, included in other debtors, is a balance of £1,335 (2015 - £200,000) was due from Firoka (Heythrop Park) Limited, a company with common control, to the company.

# **Firoka (Oxford Hotels) Limited**

## **Notes to the Financial Statements for the Period Ended 29 September 2016**

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### **20. Ultimate parent undertaking and controlling party**

The results of the company are included in the consolidated accounts of Firoka (London Park) Limited, the ultimate parent company which is incorporated in Jersey. Firoka (London Park) Limited is the largest and smallest group of undertakings for which group accounts are prepared. Firoka (Oxford) Limited is the company's immediate parent undertaking.

The company's ultimate controlling party is Mr F A Kassam.

### **21. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.