

Nira Hospitality Limited
Financial Statements
31 March 2017



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

Nira Hospitality Limited

Financial Statements

Year ended 31 March 2017

Contents	Page
Officers and professional advisers	1
Directors' report	2
Independent auditor's report to the members	4
Statement of income and retained earnings	6
Statement of financial position	7
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Detailed income statement	16
Notes to the detailed income statement	17

Nira Hospitality Limited

Officers and Professional Advisers

The board of directors

B Choudhrie
D Choudhrie
S Kapur
M Puri

Registered office

75 Park Lane
Croydon
Surrey
United Kingdom
CR9 1XS

Auditor

Slaven Jeffcote LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

Bankers

Bank of Scotland
8 Lochside Avenue
Edinburgh
EH12 9DJ

Nira Hospitality Limited

Directors' Report

Year ended 31 March 2017

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

Directors

The directors who served the company during the year were as follows:

B Choudhrie
D Choudhrie
S Kapur
M Puri

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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 of disclosure to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

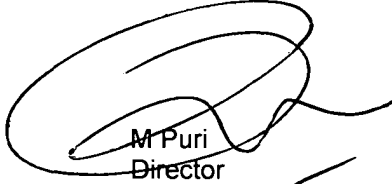
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Nira Hospitality Limited

Directors' Report *(continued)*

Year ended 31 March 2017

This report was approved by the board of directors on 21/12/2017 and signed on behalf of the board by:



M Puri
Director

Registered office:
75 Park Lane
Croydon
Surrey
United Kingdom
CR9 1XS

Nira Hospitality Limited

Independent Auditor's Report to the Members of Nira Hospitality Limited

Year ended 31 March 2017

We have audited the financial statements of Nira Hospitality Limited for the year ended 31 March 2017 which comprise the statement of income and retained earnings, statement of financial position 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 directors' report 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 March 2017 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.

Nira Hospitality Limited

Independent Auditor's Report to the Members of Nira Hospitality Limited (continued)

Year ended 31 March 2017

Emphasis of matter

Without qualifying our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 4 to the financial statements concerning the company's ability to continue as a going concern. Excluding the add back of the previous shareholders loan, the company made a net operating loss of £111,731 during the year ended 31 March 2017 and, at that date, the company's current liabilities exceeded its total assets by £317,966 and it had net current liabilities of £455,618. These conditions, along with the other matters explained in note 4 to the financial statements, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

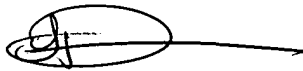
Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Joanne Louise Denman (FCCA) (Senior Statutory Auditor)

For and on behalf of
Slaven Jeffcote LLP
Chartered Certified Accountants & statutory auditor
1 Lumley Street
Mayfair
London
W1K 6TT

21 December 2017

Nira Hospitality Limited
Statement of Income and Retained Earnings
Year ended 31 March 2017

	Note	2017 £	2016 £
Turnover		263,735	301,123
Gross profit		263,735	301,123
Administrative expenses		375,466	340,382
Other operating income		1,604,766	—
Operating profit/(loss)		1,493,035	(39,259)
Other interest receivable and similar income		24	13
Profit/(loss) before taxation	8	1,493,059	(39,246)
Tax on profit/(loss)	9	—	—
Profit/(loss) for the financial year and total comprehensive income		1,493,059	(39,246)
Retained losses at the start of the year		(1,812,025)	(1,772,779)
Retained losses at the end of the year		(318,966)	(1,812,025)

All the activities of the company are from continuing operations.

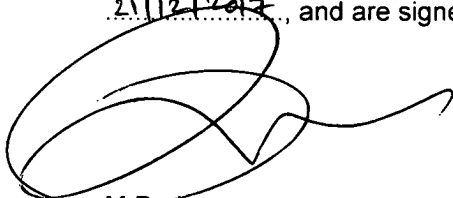
The notes on pages 8 to 14 form part of these financial statements.

Nira Hospitality Limited
Statement of Financial Position
31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	295	550
Investments	11	100	100
		<u>395</u>	<u>650</u>
Current assets			
Debtors	12	108,068	744,472
Cash at bank and in hand		29,189	45,608
		<u>137,257</u>	<u>790,080</u>
Creditors: amounts falling due within one year	13	<u>455,618</u>	<u>2,601,755</u>
Net current liabilities		<u>318,361</u>	<u>1,811,675</u>
Total assets less current liabilities		<u>(317,966)</u>	<u>(1,811,025)</u>
Net liabilities		<u>(317,966)</u>	<u>(1,811,025)</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account		<u>(318,966)</u>	<u>(1,812,025)</u>
Members deficit		<u>(317,966)</u>	<u>(1,811,025)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 21/12/2017, and are signed on behalf of the board by:



M Puri
Director

Company registration number: 06710382

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

Nira Hospitality Limited

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 75 Park Lane, Croydon, Surrey, CR9 1XS, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Business review

Nira Hospitality Limited is a company limited by shares, incorporated in England & Wales. The principle activity of the company during the year was that of Hotel management services.

4. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The sole shareholder and director has assessed the company's ability to continue to adopt the going concern basis of accounting. He will continue to support the company for the foreseeable future and is satisfied that existing contracts will be successful and generate future profits both from management and licencing fee income, therefore it is appropriate to prepare the financial statement on a going concern basis.

Consolidation

The entity has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

4. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is possible that the economic benefits associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably and;
- (d) the cost incurred for the transaction and the cost to complete the transaction can be measured reliably.

When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 2-4 Years

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

4. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

5. Other operating income

Other operating income of £1,602,472 (2016- Nil) relates to write off of the loan from the company's parent undertaking Shanti Hospitality Group Limited.

6. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>2,500</u>	<u>3,000</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017	2016
	No.	No.
Administrative staff	<u>2</u>	<u>1</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	<u>294,839</u>	<u>236,405</u>

8. Profit before taxation

Profit/(loss) before taxation is stated after crediting:

	2017	2016
	£	£
Depreciation of tangible assets	<u>845</u>	<u>1,872</u>

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

9. Tax on profit/(loss)

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017 £	2016 £
Profit/(loss) on ordinary activities before taxation	<u>1,493,059</u>	<u>(39,246)</u>
Profit/(loss) on ordinary activities by rate of tax	298,611	(7,849)
Effect of expenses not deductible for tax purposes	567	734
Effect of revenue exempt from tax	(320,494)	—
Tax losses carried forward	<u>21,316</u>	<u>7,115</u>
Tax on profit/(loss)	<u>—</u>	<u>—</u>

10. Tangible assets

	Equipment £
Cost	
At 1 April 2016	8,370
Additions	590
At 31 March 2017	<u>8,960</u>
Depreciation	
At 1 April 2016	7,820
Charge for the year	845
At 31 March 2017	<u>8,665</u>
Carrying amount	
At 31 March 2017	<u>295</u>
At 31 March 2016	<u>550</u>

11. Investments

	Shares in group undertakings £
Cost	
At 1 Apr 2016 and 31 Mar 2017	<u>100</u>
Impairment	
At 1 Apr 2016 and 31 Mar 2017	<u>—</u>
Carrying amount	
At 31 March 2017	<u>100</u>

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

11. Investments *(continued)*

Subsidiaries, associates and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
Restaurant Kama Limited	Ordinary	100

The results and capital and reserves for the year are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2017	2016	2017	2016
	£	£	£	£
Subsidiary undertakings				
Restaurant Kama Limited	<u>(4,998)</u>	<u>(17,435)</u>	<u>12,437</u>	<u>(14,504)</u>

12. Debtors

	2017	2016
	£	£
Trade debtors	90,989	15,410
Prepayments and accrued income	2,331	2,439
Other debtors	<u>17,079</u>	<u>729,062</u>
	<u>110,399</u>	<u>746,911</u>

13. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	54,484	26,915
Amounts owed to group undertakings	–	2,190,337
Accruals and deferred income	31,832	28,693
Social security and other taxes	11,624	3,016
Other creditors	<u>357,678</u>	<u>352,794</u>
	<u>455,618</u>	<u>2,601,755</u>

Included in creditors amount falling due within one year there is a loan of Nil (2016- £2,190,337) due to the parent undertaking, From the 1 April 2015 the terms of the loan has been changed, the loan is repayable on demand, so it has been reclassified as short term creditors .

14. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>137,257</u>	<u>790,080</u>

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

14. Financial instruments *(continued)*

	2017 £	2016 £
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>455,618</u>	<u>2,601,755</u>

15. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

16. Related party transactions

There was no single controlling party at the balance sheet date.

During the year under review Nira Hospitality Limited charged consultancy fees of Nil (2016 - £47,068) to Moti Mahal Delux Limited, £94,636 (2016 - £109,246) to Spa on The Shore Limited, £42,891 (2016 - £34,926) to Shanti Hospitality UK Limited, £71,572 (2016 - £62,402) to Alpine Hospitality (Switzerland) AG a company incorporated in Switzerland.

Included in other debtors at the balance sheet date is Nil (2016- £576395) due from C&C Estate Limited this amount was reassigned from Moti Mahal Delux Limited to C&C Estate Limited, Nil (2016 -) due from Shanti Hospitality UK Limited, Nil (2016- £1,123) from Spa on Shore Limited, all companies are under common control.

Included in trade debtors is an amount Nil (2016- 1,818) due from Alpine Hospitality (Switzerland) AG, £2,320 (2016- Nil) due from Spa on the Shore Limited, £565 (2016- Nil) due from Shanti Hospitality Group Limited.

Included in profit and loss is an amount of £52,405 (2016 - £68,302) related to Travelling & Entertainment reimbursed to M Puri, he is a director and shareholder of the company, these costs have been incurred in the ordinary courses of business.

During the year under review the loan of £1,602,472 due to the company's parent undertaken Shanti Hospitality Limited was written off.

Included in Creditors due within one year is an amount of Nil (2016- £2,190,337) due to the Company's parent undertaking, Shanti Hospitality Group Limited. Also included in Creditors amounts falling due within one year is an amount of £357,472 (2016- £352,794) due to Mr M Puri director and shareholder of the company.

Nira Hospitality Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

17. Post balance sheet events

The Hotel management contracts between Nira Hospitality Limited and Shanti Hospitality (UK) Limited, Spa on the Shore Limited, Alpine Hospitality (Switzerland) AG terminated in April 2017 and in June 2017 the entire share capital of Nira Hospitality Limited was transferred to Mr M Puri. A decision has been made after the balance sheet date to close the subsidiary.

18. Controlling party

The company's parent undertaking at the balance sheet date was Shanti Hospitality Group Limited (Formerly known as C&C Hospitality Limited), a company registered in England and Wales.

The company's ultimate parent undertaking at the balance sheet date is Harberry Investments Limited, a company incorporated in the British Virgin Islands.

The parent undertaking of the largest group for which group accounts including Nira Hospitality Limited are drawn up is C&C Alpha Group Limited, a company registered in England and Wales.

Copies of these accounts can be obtained from the company's registered office:

23 Buckingham Gate
London
SW1E 6LB