

Brook Street 1 Limited

Report and financial statements

Year ended 31 December 2016

Registered number: 06516561

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Brook Street 1 Limited

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	4
Statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8

Brook Street 1 Limited

Directors and other information

Board of Directors

Fady Bakhos
Liam Cunningham

Registered office

41- 43 Brook Street
Mayfair
London
W1K 4HJ

Bankers

Barclays Bank
1 Churchill Place
London
E14 5HP

Allied Irish Bank (GB)
City Office
9 – 10 Angel Court
London
EC2R 7AB

Solicitor

MacFarlanes LLP
10 Norwich Street
London
EC4A 1BD

Brook Street 1 Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2016.

The Company has taken the exemption for small companies in relation to the Strategic report provided by Section 414B of the Companies Act 2006.

Principal activities

The principal activity of Brook Street 1 Limited ('the Company') is that of an investment holding company.

Business review

The company was an income beneficiary of 41- 43 Brook Street Trust. The trust agreement terminated on 11 March 2013 and from that date no future income is due to the company. The statement of comprehensive income is set out on page 5.

Dividends

During the year no dividends were paid and no dividends were proposed.

Directors and their interests

The directors who held office during the year were as follows:

Liam Cunningham
Carole Walker
Fady Bakhos

Resigned 29 February 2016
Appointed 29 February 2016

Political and charitable contributions

The company made no political or charitable donations during the year.

Brook Street 1 Limited

Directors' report (*continued*)

Going Concern

The Group headed by Coroin Limited has considerable financial resources. As a consequence, the directors believe that the group is well placed to manage its business risks successfully. After making enquiries, and taking into account the support of Coroin Limited, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Auditors

The annual accounts have not been audited because the Company is entitled to the exemption provided by section 480(1) of the Companies Act 2006 relating to dormant companies and the members have not required the Company to obtain an audit under section 476(1) of the Companies Act 2006.

Approved by the Board of Directors ('the Board') and signed on behalf of the Board



Liam Cunningham
Director

26 September 2017

Brook Street 1 Limited

Statement of 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*.

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the Board



Liam Cunningham
Director

26 September 2017

Brook Street 1 Limited

Statement of comprehensive income

for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Turnover	3	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Profit on ordinary activities before tax		-	-
Tax charge on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
Profit for the financial year		-	-
		<hr/> <hr/>	<hr/> <hr/>

The company had no other comprehensive income in the financial year or preceding financial year other than those dealt with in the profit and loss account. All activities in the current year and preceding year are derived from continuing operations.

Brook Street 1 Limited

Balance sheet

as at 31 December 2016

	Note	2016 £'000	2015 £'000
Current assets			
Debtors	6	7,836	7,836
		<hr/>	<hr/>
Net assets		7,836	7,836
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	-	-
Profit and loss account		7,836	7,836
		<hr/>	<hr/>
Shareholders' funds		7,836	7,836
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 26 September 2017.

Signed on behalf of the Board of Directors



Liam Cunningham
Director

Brook Street 1 Limited

Statement of changes in equity for the year ended 31 December 2016

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 January 2015	-	7,836	7,836
Profit for the financial year	-	-	-
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2015	-	7,836	7,836
Profit for the financial year	-	-	-
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	-	7,836	7,836

The accompanying notes form an integral part of the financial statements.

Brook Street 1 Limited

Notes

to the financial statements

1 Statement of compliance

Brook Street 1 Limited is a company incorporated in the United Kingdom. The company's registered office is at 41- 43 Book Street, Mayfair, London, W1K 4HJ.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

These financial statements are presented in sterling, being the functional currency of the Company. All financial information presented in sterling has been rounded to the nearest thousand, except where otherwise stated.

2 Significant accounting policies

Basis of preparation

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes (para 8(h));
- disclosures in respect of the compensation of key management personnel (para 8(j));
- disclosures in respect of transactions with wholly owned subsidiaries (para 8(k));
- certain comparative information (para 8(f)); and
- the effects of new but not yet effective IFRSs (para 8(i));

As the consolidated financial statements of Coroin Limited include the equivalent disclosures, the company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and
- Certain disclosures required by IAS 36 *Impairment of Assets*.

Brook Street 1 Limited

Notes (continued)

2 Significant accounting policies (continued)

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Use of estimates and judgements

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Going concern

The financial statements have been prepared on the going concern basis.

The group headed by Coroin Limited ('the Group') has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, and taking into account the support assured by Coroin Limited, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Tax

The income tax expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Brook Street 1 Limited

Notes (continued)

2 Significant accounting policies (continued)

Tax (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Brook Street 1 Limited

Notes (continued)

2 Significant accounting policies (continued)

Non-derivative financial instruments

Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Non-derivative financial liabilities

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Ordinary dividends are recognised in the period in which they are paid to shareholders.

3 Turnover	2016 £'000	2015 £'000
Profit share entitlement	-	-

All revenue is derived from operations within the UK.

4 Information regarding directors, employees and audit fees

The company has no employees. The audit fee is borne by another group company.

One of directors is remunerated by third party management company Hume Street Management Consultants Limited which charge fees of £5,000,000 (2015: £3,500,000) to Coroin Limited as set out in note 21(a) of the Coroin Limited financial statements. One of the directors is remunerated by third party management company Al Mirqab Holding Co. which is paid €2,000,000 (2015: €2,000,000m) by Constellation Hotel Holdings S.C.A. an intermediate parent holding company registered in Luxembourg. The directors do not believe that it is practicable to apportion these amounts between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

Brook Street 1 Limited

Notes (continued)

5 Income tax

Amounts recognised in profit or loss	2016 £'000	2015 £'000
Current tax		
UK corporation tax	-	-
Adjustment in respect of prior years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Adjustments in respect of prior periods	-	-
Total deferred tax charge	-	-
Reconciliation of tax charge	31 December 2016 £'000	31 December 2015 £'000
Loss on ordinary activities before tax	-	-
Loss on ordinary activities before tax at the standard corporation tax rate in UK of 20.00% (2015: 20.25%)	-	-
Group relief (received)/surrendered net paid tax	2	-
Transfer pricing adjustment	(2)	-
Total tax charge	-	-

Factors which may affect future tax charges;

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. This will reduce the company's future tax charge accordingly.

6 Debtors

	2016 £'000	2015 £'000
Amounts owed by group companies	7,836	7,836

All debtors are repayable on demand.

Brook Street 1 Limited

Notes (continued)

7	Called up share capital	2016 £'000	2015 £'000
	Authorised		
	1,000 ordinary shares of £1 each	1	1
		<hr/> <hr/>	<hr/> <hr/>
	Authorised called up, allotted and fully paid		
	1 ordinary shares of £1 each		-
		<hr/> <hr/>	<hr/> <hr/>

On incorporation 1 ordinary share of £1 was issued to Claridge's Hotel Holdings Limited.

8 Related party transactions

The company is exempt under the provisions of IAS 24 "Related Party Disclosures" from disclosing related party transactions entered into between two or more members of the group.

9 Ultimate parent company

At 31 December 2016 the Company's immediate parent company was Claridge's Hotel Holdings Limited, a company incorporated in Great Britain and registered in England and Wales

The Company's ultimate parent company and controlling party is Prime Capital S.A., a company incorporated in Luxembourg. This is the largest group in which the results of the company are consolidated.

Coroin Limited, a company incorporated in Great Britain and registered in England and Wales, is the smallest group in which the results of the company are consolidated. Copies of those statutory accounts are available from its registered office, 41- 43 Book Street, Mayfair, London, W1K 4HJ.

10 Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements