Registered number: 10030512

FCH1 (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

FCH1 (UK) LIMITED

COMPANY INFORMATION

Directors	P M Broomhead D T Kenny
Registered number	10030512
Registered office	4th Floor, 45 Monmouth Street, London WC2H 9DG
Independent auditors	RSM UK Audit LLP 25 Farrington Street London EC4A 4AB

FCH1 (UK) LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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's financial statements 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 to 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 is that of a leased hotel operator.

Directors

The directors who served during the year were:

P M Broomhead
D T Kenny

Future developments

It is the intention of the directors that the Company will continue in the management of the hotel operations for the foreseeable future.

The directors view the results as satisfactory, as are the prospects of the Company.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 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.

Auditors

The auditors, RSM UK Audit 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.

Philip Broomhead

P M Broomhead
Director

Date: 15 April 2019

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FCH1 (UK) LIMITED

Opinion

We have audited the financial statements of FCH1 (UK) LIMITED (the 'Company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the related notes, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Annual Report, other than the financial statements and our Auditors' 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.

Opinion 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.

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 Directors' 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; or
- 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 on page 1, 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FCH1 (UK) LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

RSM UK Audit LLP

Christopher Tate (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farrington Street
London
EC4A 4AB
United Kingdom

15 April 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	As restated 2017 £
Turnover	3	**3,370,251**	3,061,652
Cost of sales		**(1,796,806)**	(1,717,584)
Gross profit		**1,573,445**	1,344,068
Administrative expenses		**(1,609,650)**	(1,327,129)
Operating (loss)/profit	4	**(36,205)**	16,939
Other finance costs		**(47,809)**	(37,114)
Loss before tax		**(84,014)**	(20,175)
Tax on loss		**29,303**	(13,433)
Loss for the financial year		**(54,711)**	(33,608)

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 8 to 18 form part of these financial statements.

The comparative amounts are restated in order to align the classfications of the cost of sales and administrative costs with that of the parent undertaking.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note		2018 £		2017 £
Fixed assets					
Tangible assets	6		**555,095**		512,912
			555,095		512,912
Current assets					
Stocks	7	**24,734**		20,900	
Debtors: amounts falling due within one year	8	**430,852**		216,444	
Cash at bank and in hand	9	**595,044**		653,960	
		1,050,630		891,304	
Creditors: amounts falling due within one year	10	**(529,643)**		(618,943)	
Net current assets			**520,987**		272,361
Total assets less current liabilities			**1,076,082**		785,273
Creditors: amounts falling due after more than one year	11		**(933,002)**		(628,712)
Net assets			**143,080**		156,561
Capital and reserves					
Called up share capital	13		**100**		100
Capital contribution	14		**250,526**		209,295
Profit and loss account	14		**(107,546)**		(52,834)
			143,080		156,561

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

Philip Broomhead

P M Broomhead
Director

Date: 15 April 2019

The notes on pages 8 to 18 form part of these financial statements.

1. General information

FCH1 (UK) Limited is a limited liability company which was incorporated in the United Kingdom and registered in England and Wales on 27 February 2016. The registered address and principal place of business of the Company is 45 Monmouth Street, London, England, WC2H 9DG. The nature of the entity's operations and its principal activities are set out in the Directors' Report on page 1.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of FCH1 (Jersey) Limited as at 31 December 2018 and these financial statements may be obtained from 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Company meets its day to day working capital requirement from resources generated from hotel operations. Its parent companies intend to make funds available to the Company to enable it to meet its debts and medium term funding requirement as they fall due.

2.4 Revenue

Revenue is derived from hotel operations, including the rental of rooms and food and beverage sales. Revenue is recognised when rooms are occupied and food and beverage are sold.

2.5 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.

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.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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.

The estimated useful lives range as follows:

Fixtures, fittings and equipment - 3 - 10 years

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.

2.6 Stocks

Stocks comprise food and beverage for resale and 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 profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on short notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan

2. Accounting policies (continued)

2.9 Financial instruments (continued)

not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases known as Olney House are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Rentals paid under operating leases to parent undertaking are charged to the Statement of Comprehensive Income, and are payable on 75% of hotel EBITDA which is defined in the lease agreement as earnings before interest, tax, dividends, exceptional items, foreign exchange gains and losses, depreciation and amortisation.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Room revenue	**2,399,828**	2,134,306
Food and beverage	**970,423**	927,346
	3,370,251	3,061,652

All turnover arose within the United Kingdom.

	2018	2017
Occupancy rate	**85.3%**	83.4%
Average room rate	**£74**	£70

4. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	**212,238**	184,677
Operating lease rentals	**405,818**	401,039
Defined contribution pension cost	**7,466**	3,458

5. Employees

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

	2018 No.	2017 No.
Hotel operating staff	**75**	77

The Company has 2 directors during the year (2017: 2). No directors are members of the Company's defined contribution pension scheme, and no separate directors' remuneration is payable by the Company as the cost of director services forms part of the fees payable to IQ-EQ as explained in Note 19 Related Party Transactions.

6. Tangible fixed assets

	Fixtures, fittings & equipment £
Cost or valuation	
At 1 January 2018	**711,900**
Additions	**254,421**
At 31 December 2018	**966,321**
Depreciation	
At 1 January 2018	**198,988**
Charge for the year on owned assets	**212,238**
At 31 December 2018	**411,226**
Net book value	
At 31 December 2018	**555,095**
At 31 December 2017	512,912

7. Stocks

	2018	2017
	£	£
Food and beverage	**24,734**	20,900

Stock recognised in cost of sales during the year as an expense was £333,693 (2017 - £300,666).

8. Debtors

	2018	2017
	£	£
Trade debtors	**6,863**	56,218
Amounts owed by group undertakings	**276,286**	1,800
Other debtors	**4,848**	-
Prepayments and accrued income	**113,552**	158,426
Deferred taxation	**29,303**	-
	430,852	216,444

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

9. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	**595,043**	653,959

10. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	**219,728**	219,575
Corporation tax	-	13,433
Other taxation and social security	**64,083**	96,707
Other creditors	-	65,769
Accruals and deferred income	**245,832**	223,459
	529,643	618,943

11. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to group undertakings	**933,002**	628,712

The amounts owed to group undertakings comprise unsecured shareholder loan which is interest free and repayable on maturity date at 30 November 2021.

The carrying amount of the loan includes an initial drawdown of £797,900 which was measured at fair value of £588,605 on 15 November 2016 using an applied annual market interest rate of 6.10%. The loan is subsequently measured at amortised costs. This initial fair value measurement resulted in the recognition of £209,295 capital contribution in the year ended 31 December 2016.

During the year the company utilised the remaining loan facility with a second drawdown of £202,100 (2017: £nil) on the interest free shareholder loan. The amount was recognised at fair value using the same annual interest rate of 6.10%, and subsequently at amortised cost. This drawdown resulted in the recognition of £41,231 additional capital contribution in the current year.

The maximum loan facility is £1,000,000, all of which has been drawn as at the balance sheet date (2017: £797,900). There had been no voluntary loan repayments during the year (2017: £nil).

12. Deferred taxation

	2018 £
Charged to profit or loss	**29,303**
At end of year	**29,303**

The deferred tax asset is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	**18,089**	-
Tax losses carried forward	**10,878**	-
Pension surplus	**336**	-
	29,303	-

13. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
100 (2017 - 100) Ordinary shares shares of £1.00 each	**100**	100

The authorised share capital of the Company is 100 shares of £1 each. The nominal value of each issued share is £1 and the aggregate value of the issued share capital is £100.

14. Capital contribution

The Company recognised £41,231 additional capital contribution during the year (2017: £nil). This addition is the result of a £202,100 drawdown of interest free shareholder loan on 28 March 2018, details are discussed in note 11.

15. Capital commitments

At the year end there was captial expenditure contracted but not recognised in the financial statements £61,578 (2017: £nil).

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund. Contributions totalling £1,977 (2017: £555) were payable to the fund at the reporting date and are included in creditors.

17. Commitments under operating leases

The Company had entered into a commercial lease for business premises known as Olney House. The lease had an initial term of 4 years and 8 months with an option to renew.

On 28 March 2018, the Company paid a reverse premium of £234,000 in relation to the lease surrender on the Olney House lease, which has been capitalised in the financial statements of its parent's company.

Lease payments recognised as an expense in profit or loss in relation to this lease for the year ended 31 December 2018 amounted to £24,000 (2017: £72,000), the amount outstanding was £nil (2017: £nil) at the reporting date.

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	-	72,000
Later than 1 year and not later than 5 years	-	186,000
	-	258,000

The Company had entered into a 10 year hotel operating lease with its parent undertaking on 30 November 2016, as at the reporting date the remaining term of the lease is 6 years and 11 months. The future commitment of lease payable can not be reliably estimated over the period of the lease, because the lease payables are linked to the hotel performance and calculated as 75% of EBITDA, as detailed in note 2.12.

18. Securities charges on group borrowings

During the year, the group of which the Company is a member has raised finance with loans from Barclays Bank PLC, as a result the bank has fixed charges over the Company's assets to secure bank loans to the group.

19. Related party transactions

The Company has taken exemptions according to the paragraph 33.1A of FRS 102 to not disclose transactions with 100% owned group companies.

The directors of the employees are employees of IQ EQ which provide administrative, director, secretarial, and registered office services to the Company. During the year the Company incurred fees of £33,885 (2017: £23,712) from IQ EQ.

20. Controlling party

As at 31 December 2018, FCH1 (Jersey) Limited, a company incorporated and registered in Jersey, was the immediate parent undertaking of the Company. Its registered office address is 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH.
The ultimate controlling party is CL Global Huicheng (Shanghai) Investment Fund LLP, a limited liability partnership registered in Shanghai, China.

The smallest group in which the results of the Company are consolidated is that headed by FCH1 (Jersey) Limited.

21. Restatement of comparative amounts

The comparative amounts are restated for the cost of sales and administrative expenses in the statement of comprehensive income. The restatement relates to an adjustment to reclassify overhead expenses within cost of sales to administrative expenses, so that the classification is in line with the parent undertaking. The impact of the adjustment is that costs of sales decreased by £610,782 and administrative costs increased by the same amount, therefore no impact on operating profit or net assets as previously reported.