

**LE TOUQUET SYNDICATE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**LE TOUQUET SYNDICATE LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	N Boissonnas A R Stone N Ashdown
<b>Company secretary</b>	Dentons Secretaries Limited
<b>Registered number</b>	00077316
<b>Registered office</b>	1 Fleet Place London EC4M 7WS
<b>Independent auditors</b>	Nyman Libson Paul Chartered Accountants & Statutory Auditors Regina House 124 Finchley Road London NW3 5JS
<b>Solicitors</b>	Dentons UKMEA LLP 1 Fleet Place London EC4M 7WS

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**LE TOUQUET SYNDICATE LIMITED**

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## LE TOUQUET SYNDICATE LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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The directors present their report and the financial statements for the year ended 31 December 2014.

#### Directors

The directors who served during the year were:

N Boissonnas  
A R Stone  
N Ashdown

#### Results and dividends

The loss for the year, after taxation, amounted to €3,783,311 (2013: loss €4,794,811).

The directors are unable to recommend payment of a final dividend.

#### Financial instruments

The group's financial instruments include cash, trade debtors and trade creditors all arising in the normal course of business and loans used as a source of funding. The group is exposed to liquidity and cash flow risk which is actively managed by ensuring sufficient liquidity is available to meet ongoing liabilities and operational requirements.

#### Auditors

The auditors, Nyman Libson Paul, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### 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 that director is aware, there is no relevant audit information of which the company and the group's auditors are 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 and the group's auditors are aware of that information.

#### Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

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LE TOUQUET SYNDICATE LIMITED

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

*N. Boissonnas*

N Boissonnas  
Director

Date: *29 September 2015*

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## LE TOUQUET SYNDICATE LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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#### Business review

The principal activities of the group are the hotelier, golf and hospitality businesses. The group is also involved in hotel and golf course activities undertaken through a joint venture with another hotel, golf and hospitality business. There have not been any significant changes in the principal activities of the group in the year under review. The directors are not aware, at the date of this report, of any likely changes in the group's activities in the next year.

As shown in the consolidated profit and loss account on page 6, the group has made a loss for the year.

The balance sheet on pages 7 and 8 of the financial statements shows that the group's financial position at the year end remains satisfactory.

#### Principal risks and uncertainties

##### Commercial risk

The main commercial risk is uncertainty which is dominant in the whole tourist industry. People book later and later. A terrorist event can occur anywhere in the world and affect the whole industry. A significant number of the company's customers are from the United Kingdom and as a result of exchange rate fluctuations between Pounds Sterling and the Euro this may affect bookings.

##### Strategic risk

Our sites are located in good tourist regions in France. There are very few golf projects in the area (the land is scarce and expensive and environmentalists are active) which increases the value of the existing properties.

##### Operational risk

The golf trade is dependent on weather conditions as storms in the high season may affect revenue. Conversely, excessive summer heat can keep golf players away from golf courses.

##### Financial risk

Our industry requires large amounts of investment either to acquire facilities or to refurbish or improve them.

##### Reputational risk

Our hotels and golf clubs have a good reputation.

#### Financial key performance indicators

##### Turnover and gross profit margin

Turnover increased by 4.48% over the previous year with a decrease of 0.37% in the gross profit margin. It is the intention of the group to strengthen its performance in the industry by monitoring closely its direct costs and identifying and implementing new business strategies to continue to develop further.

This report was approved by the board on 29 September 2015 and signed on its behalf.

N - Boissonnas

N Boissonnas  
Director

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## LE TOUQUET SYNDICATE LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LE TOUQUET SYNDICATE LIMITED

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We have audited the group and parent company financial statements (the "financial statements") of Le Touquet Syndicate Limited for the year ended 31 December 2014, set out on pages 6 to 30. The financial reporting framework that has been applied in their preparation is applicable law and 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 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.

#### **Respective responsibilities of directors and auditors**

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 group's and the parent 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 group strategic report and 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 group's and the parent company's affairs as at 31 December 2014 and of the group's 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.

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

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

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**LE TOUQUET SYNDICATE LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LE TOUQUET SYNDICATE 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Anthony Pins (senior statutory auditor)

for and on behalf of  
**Nyman Libson Paul**

Chartered Accountants  
Statutory Auditors

Regina House  
124 Finchley Road  
London  
NW3 5JS

Date:

29 September 2015



**LE TOUQUET SYNDICATE LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 €	2013 €
<b>TURNOVER</b>	1	16,694,532	15,978,091
Cost of sales		(5,083,834)	(4,806,832)
<b>GROSS PROFIT</b>		11,610,698	11,171,259
Administrative expenses		(12,735,537)	(12,648,422)
Other operating income	3	85,518	91,843
<b>OPERATING LOSS</b>	4	(1,039,321)	(1,385,320)
Share of operating loss in joint ventures		(868,516)	(1,061,564)
<b>TOTAL OPERATING LOSS</b>		(1,907,837)	(2,446,884)
<b>EXCEPTIONAL ITEMS</b>			
Compensation for sale of land	24	(896,433)	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		(2,804,270)	(2,446,884)
Income from interests in associated undertakings		(398,041)	(253,141)
Income from other fixed asset investments		69	55
Other interest receivable and similar income		9,468	5,308
Amounts written off investments		-	(1,069,960)
Interest payable	6	(685,700)	(1,216,061)
Foreign exchange gain		114,320	243,182
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(3,764,154)	(4,737,501)
Tax on ordinary activities	7	(19,464)	(57,706)
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(3,783,618)	(4,795,207)
Minority interests		307	396
<b>LOSS FOR THE FINANCIAL YEAR</b>	16	(3,783,311)	(4,794,811)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 11 to 30 form part of these financial statements.

**LE TOUQUET SYNDICATE LIMITED**  
**REGISTERED NUMBER: 00077316**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	€	2014 €	€	2013 €
<b>FIXED ASSETS</b>					
Intangible assets	8		3,272,766		3,836,046
Tangible assets	9		45,321,750		44,757,474
Investments	10		390,373		151,311
Investments in joint ventures					
-Share of gross assets		9,769,071		10,125,230	
-Share of gross liabilities		(7,164,716)		(9,321,545)	
Share of net assets	10		2,604,355		803,685
Investments in associates	10		975,076		791,981
			<u>52,564,320</u>		<u>50,340,497</u>
<b>CURRENT ASSETS</b>					
Stocks	11	5,568,405		5,559,304	
Debtors	12	6,489,142		7,478,147	
Cash at bank		3,565,021		813,963	
		<u>15,622,568</u>		<u>13,851,414</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	(9,911,471)		(10,413,801)	
<b>NET CURRENT ASSETS</b>			<u>5,711,097</u>		<u>3,437,613</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>58,275,417</u>		<u>53,778,110</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14		(52,451,309)		(44,659,634)
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions	25		(5,152,325)		(4,663,075)
<b>NET ASSETS</b>			<u>671,783</u>		<u>4,455,401</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		128,038		128,038
Share premium account	16		6,896,537		6,896,537
Revaluation reserve	16		6,686,721		6,686,721
Other reserves	16		668,123		668,123
Profit and loss account	16		(13,707,183)		(9,923,872)
<b>SHAREHOLDERS' FUNDS</b>	17		672,236		4,455,547
<b>MINORITY INTERESTS</b>	29		(453)		(146)
			<u>671,783</u>		<u>4,455,401</u>

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LE TOUQUET SYNDICATE LIMITED

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CONSOLIDATED BALANCE SHEET (continued)  
AS AT 31 DECEMBER 2014

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

29 September 2015

*N. Boissonnas*

N Boissonnas  
Director

The notes on pages 11 to 30 form part of these financial statements.

**LE TOUQUET SYNDICATE LIMITED**  
**REGISTERED NUMBER: 00077316**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	€	2014 €	€	2013 €
<b>FIXED ASSETS</b>					
Tangible assets	9		18,400,338		17,883,890
Investments	10		41,220,435		37,970,113
			<u>59,620,773</u>		<u>55,854,003</u>
<b>CURRENT ASSETS</b>					
Stocks	11	127,166		224,230	
Debtors	12	16,114,045		15,725,540	
Cash at bank		2,161,810		312,180	
		<u>18,403,021</u>		<u>16,261,950</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	(1,815,905)		(3,073,292)	
<b>NET CURRENT ASSETS</b>			<u>16,587,116</u>		<u>13,188,658</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>76,207,889</u>		<u>69,042,661</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14		(58,258,188)		(49,889,217)
<b>NET ASSETS</b>			<u><u>17,949,701</u></u>		<u><u>19,153,444</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		128,038		128,038
Share premium account	16		6,896,537		6,896,537
Revaluation reserve	16		6,686,721		6,686,721
Other reserves	16		579,881		579,881
Profit and loss account	16		3,658,524		4,862,267
<b>SHAREHOLDERS' FUNDS</b>	17		<u><u>17,949,701</u></u>		<u><u>19,153,444</u></u>

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

29 September 2015

N. Boissonnas

**N Boissonnas**  
Director

The notes on pages 11 to 30 form part of these financial statements.

**LE TOUQUET SYNDICATE LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 €	2013 €
Net cash flow from operating activities	26	(3,421,907)	(5,954,970)
Returns on investments and servicing of finance	27	(676,163)	(1,210,698)
Taxation		(19,464)	(57,780)
Capital expenditure and financial investment	27	(2,252,640)	(1,824,586)
Acquisitions	27	(3,250,322)	-
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(9,620,496)</b>	<b>(9,048,034)</b>
Financing	27	13,579,539	7,544,771
<b>INCREASE/(DECREASE) IN CASH IN THE YEAR</b>		<b>3,959,043</b>	<b>(1,503,263)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 €	2013 €
Increase/(Decrease) in cash in the year	3,959,043	(1,503,263)
Cash inflow from increase in debt and lease financing	(13,579,539)	(7,544,771)
<b>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</b>	<b>(9,620,496)</b>	<b>(9,048,034)</b>
Other non-cash changes	114,320	243,182
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(9,506,176)</b>	<b>(8,804,852)</b>
Net debt at 1 January 2014	(39,587,819)	(30,782,967)
<b>NET DEBT AT 31 DECEMBER 2014</b>	<b>(49,093,995)</b>	<b>(39,587,819)</b>

The notes on pages 11 to 30 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards.

**1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**1.3 Basis of consolidation**

The financial statements consolidate the accounts of Le Touquet Syndicate Limited and all of its subsidiary undertakings ('subsidiaries').

The consolidation is prepared using the acquisition method of accounting.

Joint ventures are incorporated using the gross equity method of accounting.

Associates are incorporated using the equity method of accounting.

**1.4 Turnover**

Turnover represents income net of VAT from hotel, catering and leisure activities. It is entirely derived from continuing operations in France.

**1.5 Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	2.5% per annum - reducing balance 5% per annum - straight line
Plant, machinery and equipment	-	12.5% - 40% per annum reducing balance 3.33% - 33.33% per annum straight line
Motor vehicles	-	20% and 25% per annum - straight line

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Investments**

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**  
Investments in associates are stated at the amount of the company's share of net assets. The profit and loss account includes the company's share of the associated companies' profits or losses after taxation using the equity accounting basis.
- (iii) **Joint venture undertakings**  
Investments in joint ventures are stated at the company's share of net assets. The company's share of the profits or losses of the joint ventures is included in the profit and loss account using the equity accounting basis.
- (iv) **Other investments**  
Fixed asset investments are stated at cost less provision for diminution in value. However, where foreign exchange borrowings are used to provide a hedge against foreign equity investments, these investments are translated at the rate of exchange ruling at the balance sheet date.

The carrying values of fixed asset investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**1.8 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value.

**1.10 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**1. ACCOUNTING POLICIES (continued)**

**1.11 Deferred taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**1.12 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

**2. TURNOVER**

Turnover represents income net of VAT from the principal activities of the group. It is entirely derived from continuing operations in France.



**LE TOUQUET SYNDICATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**3. OTHER OPERATING INCOME**

	2014 €	2013 €
Sundry income	85,518	91,843

**4. OPERATING LOSS**

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

	2014 €	2013 €
Amortisation - intangible fixed assets	563,280	665,998
Depreciation of tangible fixed assets:		
- owned by the group	1,442,146	1,399,799
Auditors' remuneration	76,918	75,869
(Profit) / loss on foreign exchange transactions	(1,776)	201
Plant and machinery operating lease rentals	271,040	280,847
Loss / (profit) on disposal of fixed assets	7,156	(2,498)

Auditors fees for the company were €34,000 (2013 - €33,154)

**5. INVESTMENT INCOME**

	2014 €	2013 €
Bank interest	1,757	1,314
Other interest receivable	7,711	3,994

**6. INTEREST PAYABLE**

	2014 €	2013 €
On bank loans and overdrafts	34,800	49,244
On other loans	650,900	1,166,817

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 7. TAXATION

	2014 €	2013 €
Foreign tax	19,464	57,706
<b>Tax on loss on ordinary activities</b>	<b>19,464</b>	<b>57,706</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 €	2013 €
Loss on ordinary activities before tax	(3,764,154)	(4,737,501)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	(809,293)	(1,101,469)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	13,568	13,028
Capital allowances for year in arrears/(excess) of depreciation	14,700	(70,674)
Changes in provisions leading to an increase (decrease) in the tax charge	13,757	(2,575)
Other tax adjustments	786,732	1,219,396
<b>Current tax charge for the year (see note above)</b>	<b>19,464</b>	<b>57,706</b>

The net deferred taxation asset not recognised in the financial statements for the company and group is as follows:

	2014 €	2013 €
Capital allowances in excess of depreciation	58,373	83,984
Other timing differences	(2,282,986)	(2,256,135)
Unrelieved foreign tax on dividends received	(129,066)	(120,579)
	<b>(2,353,679)</b>	<b>(2,292,730)</b>

The company and group have a potential deferred tax asset of €2,282,986 (2013: €2,256,135) relating to non-trade loan relationship deficit, which will only be utilised if there are non-trade loan relationship surpluses in the future.

A deferred tax asset has not been recognised in the balance sheet in respect of the above balances on the basis that the recognition criteria set out in FRS 19 have not been met.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

8. INTANGIBLE FIXED ASSETS

Group	Patents and trademarks €	Goodwill €	Total €
<b>Cost</b>			
At 1 January 2014 and 31 December 2014	184,249	13,434,664	13,618,913
<b>Amortisation</b>			
At 1 January 2014	141,673	9,641,194	9,782,867
Charge for the year	306	562,974	563,280
At 31 December 2014	141,979	10,204,168	10,346,147
<b>Net book value</b>			
At 31 December 2014	42,270	3,230,496	3,272,766
At 31 December 2013	42,576	3,793,470	3,836,046

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 9. TANGIBLE FIXED ASSETS

Group	Land and buildings freehold €	Plant, machinery and equipment €	Motor vehicles €	Total €
<b>Cost or valuation</b>				
At 1 January 2014	57,685,493	8,152,448	125,468	65,963,409
Additions	1,876,662	164,996	-	2,041,658
Disposals	(418,079)	(230,340)	-	(648,419)
At 31 December 2014	59,144,076	8,087,104	125,468	67,356,648
<b>Depreciation</b>				
At 1 January 2014	14,364,210	6,721,933	119,792	21,205,935
Charge for the year	996,664	445,042	440	1,442,146
On disposals	(386,086)	(227,097)	-	(613,183)
At 31 December 2014	14,974,788	6,939,878	120,232	22,034,898
<b>Net book value</b>				
At 31 December 2014	44,169,288	1,147,226	5,236	45,321,750
At 31 December 2013	43,321,283	1,430,515	5,676	44,757,474

On adoption of FRS15, the group has followed the transitional arrangements to retain the book value of land and buildings at the amounts at which they were revalued in 1991 but not to adopt a policy of revaluation in the future.

The freehold land and buildings were last professionally valued at 31 March 1991 by Weatherall Green and Smith, Chartered Surveyors, on an open market value for existing use basis.

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

Company	Land and buildings freehold €	Plant, machinery and equipment €	Motor vehicles €	Total €
<b>Cost or valuation</b>				
At 1 January 2014	24,852,283	2,716,477	125,468	27,694,228
Additions	946,143	116,775	-	1,062,918
Disposals	(384,643)	(148,454)	-	(533,097)
At 31 December 2014	25,413,783	2,684,798	125,468	28,224,049
<b>Depreciation</b>				
At 1 January 2014	7,575,569	2,114,977	119,792	9,810,338
Charge for the year	365,327	174,044	440	539,811
On disposals	(380,647)	(145,791)	-	(526,438)
At 31 December 2014	7,560,249	2,143,230	120,232	9,823,711
<b>Net book value</b>				
At 31 December 2014	17,853,534	541,568	5,236	18,400,338
At 31 December 2013	17,276,714	601,500	5,676	17,883,890

Cost or valuation at 31 December 2014 is as follows:

<b>Group</b>	Land and buildings €
<b>At cost</b>	33,730,293
<b>At valuation:</b>	
31 March 1991 open market value for existing use basis	25,413,783
	59,144,076

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

<b>Group</b>	2014 €	2013 €
Cost	52,457,355	50,998,772
Accumulated depreciation	(11,799,922)	(11,322,895)
Net book value	40,657,433	39,675,877

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

Cost or valuation at 31 December 2014 is as follows:

	Land and buildings €
<b>Company</b>	
<b>At cost</b>	-
<b>At valuation:</b>	
31 March 1991 open market value for existing use basis	25,413,783
	<u>25,413,783</u>

The freehold land and buildings were last professionally valued at 31 March 1991 by Weatherall Green and Smith, Chartered Surveyors, on an open market value for existing use basis.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2014 €	2013 €
<b>Company</b>		
Cost	18,727,062	18,165,562
Accumulated depreciation	(7,560,249)	(7,575,569)
	<u>11,166,813</u>	<u>10,589,993</u>
Net book value		

### 10. FIXED ASSET INVESTMENTS

Group	Investments in associates €	Unlisted investments €	Investment in joint ventures €	Total €
<b>Cost or valuation</b>				
At 1 January 2014	2,934,591	151,311	803,685	3,889,587
Additions	581,136	388,562	2,669,186	3,638,884
Disposals	-	(149,500)	-	(149,500)
Share of loss	(398,041)	-	(868,516)	(1,266,557)
	<u>3,117,686</u>	<u>390,373</u>	<u>2,604,355</u>	<u>6,112,414</u>
At 31 December 2014				
<b>Impairment</b>				
At 1 January 2014 and 31 December 2014	2,142,610	-	-	2,142,610
	<u>975,076</u>	<u>390,373</u>	<u>2,604,355</u>	<u>3,969,804</u>
At 31 December 2014				
At 31 December 2013	791,981	151,311	803,685	1,746,977

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 10. FIXED ASSET INVESTMENTS (continued)

#### Joint ventures and associates

##### Joint ventures

The group owns 50% of the issued ordinary shares of SA La Preservatrice and indirectly SA Omnium Investments, which are limited companies registered in Switzerland with an accounting period ending on 30 June 2014. The principal activities of the companies are those of golf course, hotel property and management.

##### Associates

The group owns 28.29% of the issued share capital of Golden Golf Finance S.A., a limited company registered in Luxembourg and indirectly 28.29% of the share capital of the following companies: Château Golf International B.V., a limited company registered in Netherlands, Château des Vigiers S.A., a limited company registered in France, S.C.I. La Roche Cablanc, a limited company registered in France, S.C de la Font du Roc, a limited company registered in France.

Company	Investments in subsidiary companies €	Investments in associates €	Total €
<b>Cost or valuation</b>			
At 1 January 2014	36,276,075	3,844,270	40,120,345
Additions	2,669,186	581,136	3,250,322
At 31 December 2014	38,945,261	4,425,406	43,370,667
<b>Impairment</b>			
At 1 January 2014 and 31 December 2014	7,622	2,142,610	2,150,232
<b>Net book value</b>			
At 31 December 2014	38,937,639	2,282,796	41,220,435
At 31 December 2013	36,268,453	1,701,660	37,970,113

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 10. FIXED ASSET INVESTMENTS (continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Name	Country of registration or incorporation	Class of shares held	%
St Swithins Syndicate Limited	United Kingdom	Ordinary	100
SAS Des Golfs D'Hardelot*	France	Ordinary	100
SARL Restauration des Golfs*	France	Ordinary	100
Sodimer	France	Ordinary	100
SAS De L'Hotel Westminster	France	Ordinary	100
SCI Du Verger	France	Ordinary	100
SAS Du Domaine D'Hardelot	France	Ordinary	100
SCCV Lens Garin*	France	Ordinary	75
SA Omnium Investments	Switzerland	Ordinary	50
SA La Preservatrice	Switzerland	Ordinary	50
Golden Golf Finance S.A.	Luxembourg	Ordinary	28
Château Golf International B.V.*	Netherlands	Ordinary	28
Château des Vigiers S.A.*	France	Ordinary	28
S.C.I. La Roche Cablanc*	France	Ordinary	28
S.C de la Font du Roc*	France	Ordinary	28

The principal activities of these undertakings for the last relevant financial year were as follows:

St Swithins Syndicate Limited	Dormant
SAS Des Golfs D'Hardelot*	Golf Course
SARL Restauration des Golfs*	Restaurant
Sodimer	Property
SAS De L'Hotel Westminster	Hotel Management
SCI Du Verger	Hotel Property
SAS Du Domaine D'Hardelot	Land
SCCV Lens Garin*	Construction
SA Omnium Investments*	Golf Course
SA La Preservatrice	Hotel property and management
Golden Golf Finance S.A.	Real estate financing and management services
Château Golf International B.V.*	Real estate financing and management services
Château des Vigiers S.A.*	Real estate, hotel, restaurant and golf course
S.C.I. La Roche Cablanc*	Leasing of real estate for wine production
S.C de la Font du Roc*	Wine production

\* Held indirectly



**LE TOUQUET SYNDICATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**11. STOCKS**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	€	€	€	€
Land	5,045,246	4,999,162	-	-
Finished goods and consumables	523,159	560,142	127,166	224,230
	<u>5,568,405</u>	<u>5,559,304</u>	<u>127,166</u>	<u>224,230</u>

**12. DEBTORS**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	€	€	€	€
Trade debtors	577,122	423,973	67,147	100,467
Amounts owed by group undertakings	-	-	11,753,604	9,432,612
Amounts owed by undertakings in which the company has a participating interest	4,095,136	6,114,322	4,095,136	6,114,322
Other debtors	891,286	632,377	197,776	77,778
Prepayments and accrued income	925,216	307,114	-	-
Tax recoverable	382	361	382	361
	<u>6,489,142</u>	<u>7,478,147</u>	<u>16,114,045</u>	<u>15,725,540</u>

**13. CREDITORS:  
Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	€	€	€	€
Bank loans and overdrafts	780,030	2,067,164	192,332	1,395,858
Other loans	179,834	264,986	-	500,000
Trade creditors	1,692,005	1,111,407	739,414	316,416
Amounts owed to group undertakings	-	-	103,079	103,079
Other taxation and social security	1,892,563	1,962,401	372,289	334,291
Other creditors	657,783	245,626	46,324	29,192
Accruals and deferred income	4,709,256	4,762,217	362,467	394,456
	<u>9,911,471</u>	<u>10,413,801</u>	<u>1,815,905</u>	<u>3,073,292</u>

The bank loans are secured by a floating charge over the assets of the group.

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 14. CREDITORS:

Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	€	€	€	€
Bank loans	922,422	1,676,571	42,614	210,224
Other loans	50,776,730	36,393,061	50,763,417	36,388,991
Amounts owed to group undertakings	-	-	6,700,000	6,700,000
Accrued interest on shareholder loans and other loans	752,157	6,590,002	752,157	6,590,002
	<u>52,451,309</u>	<u>44,659,634</u>	<u>58,258,188</u>	<u>49,889,217</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	€	€	€	€
Repayable other than by instalments	<u>19,909,107</u>	<u>27,388,991</u>	<u>19,909,107</u>	<u>27,388,991</u>

The bank loans above are wholly repayable at the end of their loan terms within 5 years.

The other loans above are wholly repayable at the end of their loan terms from 2016 to 2023. Interest is charged on the loans at 1% - 1.5% (2013: 1% - 7%).

The bank loans are secured by a floating charge over the assets of the group.

### Loan maturity analysis

	2014	2013
	€	€
In one year or less or on demand	935,142	1,099,443
In more than one year but not more than two years	17,497,935	956,149
In more than two years but not more than five years	14,292,110	9,724,491
In more than five years	19,909,107	27,388,991
	<u>52,634,294</u>	<u>39,169,074</u>

Loans amounting to €5,500,000, due to group undertakings was advanced by SAS Du Domaine D'Hardelot in June 2002 and is repayable in June 2017 at the latest. Interest on the loan is calculated at 4% per annum.

An additional loan due to group undertakings, amounting to €1,200,000, was advanced by SAS Du Domaine D'Hardelot in June 2013 and is repayable in June 2018 at the latest. Interest on the loan is calculated at 2.5% per annum.

**LE TOUQUET SYNDICATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**15. SHARE CAPITAL**

	2014 €	2013 €
<b>Allotted, called up and fully paid</b>		
28,356 A Ordinary shares of £1 each	43,540	43,540
27,522 B Ordinary shares of £1 each	42,249	42,249
27,522 C Ordinary shares of £1 each	42,249	42,249
	<u>128,038</u>	<u>128,038</u>

**16. RESERVES**

<b>Group</b>	Share premium account €	Revaluation reserve €	Capital redemption reserve €	Profit and loss account €
At 1 January 2014	6,896,537	6,686,721	668,123	(9,923,872)
Loss for the financial year				(3,783,311)
At 31 December 2014	<u>6,896,537</u>	<u>6,686,721</u>	<u>668,123</u>	<u>13,707,183</u>

  

<b>Company</b>	Share premium account €	Revaluation reserve €	Capital redemption reserve €	Profit and loss account €
At 1 January 2014	6,896,537	6,686,721	579,881	4,862,267
Loss for the financial year				(1,203,743)
At 31 December 2014	<u>6,896,537</u>	<u>6,686,721</u>	<u>579,881</u>	<u>3,658,524</u>

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2014 €	2013 €
Opening shareholders' funds	4,455,547	9,250,358
Loss for the financial year	(3,783,311)	(4,794,811)
Closing shareholders' funds	<u>672,236</u>	<u>4,455,547</u>

  

Company	2014 €	2013 €
Opening shareholders' funds	19,153,444	21,466,011
Loss for the financial year	(1,203,743)	(2,312,567)
Closing shareholders' funds	<u>17,949,701</u>	<u>19,153,444</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the year dealt with in the accounts of the company was €1,203,743 (2013 - €2,312,567).

### 18. CONTINGENT LIABILITIES

No provision has been made for taxes which may arise on the disposal of revalued assets on the grounds that there is no intention to dispose of the properties in the foreseeable future. It is considered impracticable to estimate such taxes in the event of a disposal.

Sodimer has entered into an agreement with two other third parties in respect of indemnifying acquirers of plots of land previously sold by the company, for which development permits were subsequently refused. At present the amount that may become payable cannot be accurately determined and hence no provision has been made in the accounts.

### 19. PENSION COSTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. Contributions totalling €187,102 (2013: €170,186) were payable to the fund at the year end and are included in creditors.

#### Defined contribution

	2014 €	2013 €
Contributions payable by the group for the year	<u>398,552</u>	<u>397,439</u>

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 20. OPERATING LEASE COMMITMENTS

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	2014 €	2013 €
<b>Group</b>		
<b>Expiry date:</b>		
Within one year	53,641	13,789
Between one and two years	98,433	50,748
Between two and five years	105,504	206,503
	<u>257,578</u>	<u>271,040</u>

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2014	2013	2014	2013
	€	€	€	€
<b>Company</b>				
<b>Expiry date:</b>				
Within one year	-	-	20,857	9,909
Between one and two years	-	-	98,074	24,190
Between two and five years	-	-	30,000	97,266
	<u>-</u>	<u>-</u>	<u>148,931</u>	<u>121,365</u>

### 21. DIRECTORS' REMUNERATION

	2014 €	2013 €
Remuneration	13,123	12,462
	<u>13,123</u>	<u>12,462</u>

### 22. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2014 €	2013 €
Wages and salaries	6,884,243	6,941,480
Social security costs	1,066,608	1,098,284
Other pension costs	398,552	397,439
	<u>8,349,403</u>	<u>8,437,203</u>

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 22. EMPLOYEES (continued)

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

	2014 No.	2013 No.
Maintenance	21	20
Operations and administration	187	185
	<u>208</u>	<u>205</u>

### 23. RELATED PARTY TRANSACTIONS

Included in amounts owed by joint venture undertakings are advances of €4,095,136 (2013: €6,114,322) as follows:

	2014 €	2013 €
SA La Preservatrice, Geneve	<u>4,095,136</u>	<u>6,114,322</u>

The group paid management fees of €296,975 (2013: €253,269) to Cofigolf SARL, a company in which Mr N Boissonnas has a financial interest.

The joint ventures, SA La Preservatrice and SA Omnium Investments, paid management fees of €102,251 (2013: €101,375) to Cofigolf SARL.

The following loans were due to related parties:

Name	Relationship	Accrued interest payable 2014 €	Amount 2014 €	Accrued interest payable 2013 €	Amount 2013 €
Kereda SA	Shareholder	327,671	19,909,107	24,886	19,909,107
Area II BV	Shareholder	251,129	16,854,310	6,488,746	10,479,884

Included in creditors amounts falling due after more than one year are loans amounting to €8,250,000 (2013: €4,250,000) from Nungesser Inc and €5,750,000 (2013: €1,750,000) from Namu Inc, companies in which Mr N Boissonnas has a beneficial interest.

The accrued interest payable at the year end was €123,151 (2013: €62,157) to Nungesser Inc and €50,205 (2013: €14,212) to Namu Inc.

# LE TOUQUET SYNDICATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 24. EXCEPTIONAL ITEMS

	2014 €	2013 €
Compensation for sale of land	896,433	-

### 25. PROVISIONS

Group	€
At 1 January 2014	4,663,075
Additions	489,250
At 31 December 2014	5,152,325

The above provisions are mainly in respect of SCI Du Verger for repairs to be undertaken in future accounting periods for the property owned by that company.

### 26. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 €	2013 €
Operating loss	(1,039,321)	(1,385,320)
Exceptional items	(896,433)	-
Amortisation of intangible fixed assets	563,280	665,998
Depreciation of tangible fixed assets	1,442,146	1,399,799
Loss/(profit) on disposal of tangible fixed assets	7,156	(2,498)
Increase in stocks	(9,101)	(106,095)
Increase in debtors	(1,030,181)	(522,103)
Decrease/(increase) in amounts owed by joint ventures	2,019,186	(1,100,000)
Decrease in creditors	(4,967,889)	(5,420,072)
Increase in provisions	489,250	515,321
<b>Net cash outflow from operating activities</b>	<b>(3,421,907)</b>	<b>(5,954,970)</b>

**LE TOUQUET SYNDICATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**27. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2014 €	2013 €
<b>Returns on investments and servicing of finance</b>		
Interest received	9,468	5,308
Interest paid	(685,700)	(1,216,061)
Income from investments	69	55
<b>Net cash outflow from returns on investments and servicing of finance</b>	<u>(676,163)</u>	<u>(1,210,698)</u>
	2014 €	2013 €
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(2,041,658)	(1,773,337)
Sale of tangible fixed assets	28,080	7,751
Purchase of unlisted and other investments	(388,562)	(59,000)
Sale of unlisted and other investments	149,500	-
<b>Net cash outflow from capital expenditure</b>	<u>(2,252,640)</u>	<u>(1,824,586)</u>
	2014 €	2013 €
<b>Acquisitions and disposals</b>		
Purchase of share in joint ventures'	(2,669,186)	-
Purchase of share in associates'	(581,136)	-
<b>Net cash outflow from acquisitions and disposals</b>	<u>(3,250,322)</u>	<u>-</u>
	2014 €	2013 €
<b>Financing</b>		
New secured loans	14,678,982	8,621,244
Repayment of loans	(1,099,443)	(1,076,473)
<b>Net cash inflow from financing</b>	<u>13,579,539</u>	<u>7,544,771</u>



**LE TOUQUET SYNDICATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**28. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	1 January 2014 €	Cash flow €	Other non-cash changes €	Exchange Movement €	31 December 2014 €
Cash at bank and in hand	813,963	2,751,058	-	-	3,565,021
Bank overdraft	(1,232,707)	1,207,985	-	-	(24,722)
	<u>(418,744)</u>	<u>3,959,043</u>	<u>-</u>	<u>-</u>	<u>3,540,299</u>
<b>Debt:</b>					
Debts due within one year	(1,099,443)	919,610	(755,309)	-	(935,142)
Debts falling due after more than one year	(38,069,632)	(14,499,149)	755,309	114,320	(51,699,152)
<b>Net (debt)/funds</b>	<u>(39,587,819)</u>	<u>(9,620,496)</u>	<u>-</u>	<u>114,320</u>	<u>(49,093,995)</u>

**29. MINORITY INTERESTS**

**Equity**

At 1 January 2014	€ (146)
Proportion of profit/(loss) after taxation for the year	(307)
At 31 December 2014	<u>(453)</u>