

Chantrey Vellacott DFK LLP



ETROP GRANGE LIMITED

**Financial statements
31 December 2008**

ETROP GRANGE LIMITED

Financial statements for the year ended 31 December 2008

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ETROP GRANGE LIMITED

Officers and professional advisers

Directors

K S Tang

D Westerby (appointed 23 September 2008)

P Kirschner (resigned 31 December 2008)

Secretary

A Clayton

Registered office

Old Farm House

Rossway

Berkhampsted

HP4 3TZ

Bankers

Bank of Scotland plc

38 Threadneedle Street

London

EC2P 2EH

Solicitors

Denton Wilde Sapte

206 Upper Fifth Street

Milton Keynes

MK9 3DW

Auditor

Chantrey Vellacott DFK LLP

Chartered Accountants

Russell Square House

10-12 Russell Square

London

WC1B 5LF

ETROP GRANGE LIMITED

Director's report for the year ended 31 December 2008

The directors present their report and the audited financial statements for the year ended 31 December 2008.

Principal activity and review of the business

The principal activity of the company is the operation of a hotel and related leisure facilities. The only hotel in the company was disposed of in March 2006.

The results for the year ended 31 December 2008 are set out on page 6. The company has not traded since that date.

Dividends

The directors do not recommend the payment of a dividend (2007: *£nil*).

Directors and their interests

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

K S Tang
P Kirschner (resigned 31 December 2008)
D Westerby (appointed September 2008)

The directors have no beneficial interests in the shares of the company, which was a wholly owned subsidiary undertaking of Corus Hotels Limited throughout the period. The directors' interests in the share capital of Corus Hotels Limited are disclosed in that company's financial statements.

Auditors

A resolution for the re-appointment of Chantrey Vellacott DFK LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the Board of Directors on 29 October 2009 and signed on behalf of the Board



K S Tang
Director

ETROP GRANGE LIMITED

Statement of director's responsibilities

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 those 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;
- 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 proper accounting records that 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 1985. 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.

Insofar as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ETROP GRANGE LIMITED

Independent auditor's report to the shareholders of Etrop Grange Limited

We have audited the financial statements of Etrop Grange Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ETROP GRANGE LIMITED

Independent auditor's report to the shareholders of Etrop Grange Limited

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its results for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Chantrey Vellacott DFK LLP

CHANTREY VELLACOTT DFK LLP

Chartered Accountants
Registered Auditors

LONDON

29 October 2009

Chantrey Vellacott DFK LLP

ETROP GRANGE LIMITED

Profit and loss account for the year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover	2	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		-	(9,291)
Operating loss	4	-	(9,291)
Interest payable and similar charges	6	-	(5,250)
Loss on ordinary activities before taxation		-	(14,541)
Tax on loss on ordinary activities	7	-	-
Retained loss for the financial year	12	-	(14,541)

All activities derive from discontinued operations.

There is no material difference between the results reported above and those which would be reported on an unmodified historical cost basis.

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of gains and losses as been presented.

Chantrey Vellacott DFK LLP

The notes on pages 8 to 11 form part of these financial statements.

ETROP GRANGE LIMITED

Balance sheet as at 31 December 2008

	Notes	2008 £	2007 £
Current assets			
Debtors	8	11,225,501	11,230,044
		<u>11,225,501</u>	<u>11,230,044</u>
Creditors: amounts falling due within one year	9	-	(4,543)
Net current assets		<u>11,225,501</u>	<u>11,225,501</u>
Total assets less current liabilities		<u>11,225,501</u>	<u>11,225,501</u>
Net Assets		<u>11,225,501</u>	<u>11,225,501</u>
Capital and reserves			
Called up share capital	10	1,800,000	1,800,000
Share premium account	11	35,345	35,345
Profit and loss account	11	9,390,156	9,390,156
Equity shareholders' funds	12	<u>11,225,501</u>	<u>11,225,501</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were authorised and approved by the Board of Directors on 29 October 2009

Signed on behalf of the Board of Directors



K S Tang

Director

Company registration no: 2022782

The notes on pages 8 to 11 form part of these financial statements.

ETROP GRANGE LIMITED

Notes to the financial statements For the year ended 31 December 2008

1. Accounting policies

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted by the directors are described below.

Accounting convention

The accounts have been prepared under the historical cost convention.

Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

2. Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities, after deduction of value added tax. The turnover, all of which arises in the United Kingdom, and profit before taxation and net assets are attributable to one activity, the operation of hotels and restaurants and the provision of conference and leisure related facilities.

The company ceased trading in March 2007 and has not recognised any turnover since that date.

3. Information regarding directors and employees

Directors

None of the directors received any remuneration in respect of their services as directors of the company in the current or preceding financial years.

The company had no employees in either year.

4. Operating loss

The Audit fee has been borne by Corus Hotels Ltd.

5. Interest receivable

There is no interest charged on the intercompany balances

ETROP GRANGE LIMITED

Notes to the financial statements For the year ended 31 December 2008

6.	Interest payable and similar charges	2008 £	2007 £
	Bank loans	-	5,250
		<u>-</u>	<u>5,250</u>

7. Tax on loss on ordinary activities

(a) Analysis of charge in period

	2008 £	2007 £
Current tax:		
UK corporation tax on loss of the period	-	-
Adjustments in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Total current tax (note 7(b))	<u>-</u>	<u>-</u>
Deferred tax:		
Origination and reversal of timing differences	-	-
Adjustment in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

(b) Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 28.5%. The differences are explained below:

	2008 £	2007 £
Loss on ordinary activities before tax	<u>-</u>	<u>(14,541)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2007 : 30%)	-	(4,362)
Effects of:		
Expenses not deductible for tax purposes	-	4,362
	<u>-</u>	<u>-</u>
Current tax for period (note 7(a))	<u>-</u>	<u>-</u>

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Notes to the financial statements For the year ended 31 December 2008

8. Debtors	2008	2007
	£	£
Trade debtors	-	26,468
Amounts owed by group undertaking	11,225,501	11,203,576
	11,225,501	11,230,044
9. Creditors: amounts falling due within one year	2008	2007
	£	£
Other creditors	-	4,543
	-	4,543
10. Called up share capital	2008	2007
	£	£
Authorised share capital:		
1,800,000 ordinary shares of £1.00 each	1,800,000	1,800,000
600,000 'A' ordinary shares of £1.00 each	600,000	600,000
	2,400,000	2,400,000
Called up, allotted, and fully paid:		
1,200,000 Ordinary shares of £1.00 each	1,200,000	1,200,000
600,000 'A' ordinary shares of £1.00 each	600,000	600,000
	1,800,000	1,800,000

The 'A' ordinary shares carry voting rights equal to two Ordinary shares of £1 each.

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Notes to the financial statements For the year ended 31 December 2008

11. Statement of movements on reserves

	Share premium account £	Profit and loss reserve £
At 1 January 2008	35,345	9,390,156
Retained loss for the year	-	-
At 31 December 2008	35,345	9,390,156

12. Reconciliation of movement in shareholders' funds

	2008 £	2007 £
Opening shareholders' funds	11,225,501	11,240,042
Retained loss for the year	-	(14,541)
Closing shareholders' funds	11,225,501	11,225,501

13. Related party transactions

The company is a wholly owned subsidiary of London Vista Hotels Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members of the London Vista Hotels group.

14. Ultimate parent company

The immediate parent company is Patrolmake Limited, a company incorporated in England and Wales.

The immediate parent company for which consolidated financial statements are prepared is London Vista Hotels Limited, a company incorporated in England and Wales.

The ultimate company is Malayan United Industries Berhad, a company incorporated in Malaysia.

Financial statements for the intermediary parent company can be obtained from Company's House.