

Registered number  
2864261

**LR (Hotel Developments) Limited**

**Report and Accounts**

**30 September 2002**



**LR (Hotel Developments) Limited**  
**Report and accounts**  
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**LR (Hotel Developments) Limited**  
**Company Information**

**Director**

Mr I M Livingstone

**Secretary**

Mr R N Luck

**Registered Office**

St Alphage House  
2 Fore Street  
London  
EC2Y 5DH

**Auditors**

Hacker Young  
168 Church Road  
Hove  
East Sussex  
BN3 2DL

**Registered number**

2864261

**LR (Hotel Developments) Limited**  
**Director's Report**

The director presents his report and accounts for the year ended 30 September 2002.

**Principal activities and review of the business**

The company acts as a property development and management services company. The director considers the financial position at 30 September 2002 to be satisfactory.

**Results and dividends**

The results for the year are set out in the profit and loss account on page 5. The director does not recommend the payment of a dividend.

**Directors**

The director who served during the year was:

Mr I M Livingstone

The director had no interest in the ordinary shares of the company at any time during the year.

**Auditors**

The Company passed an Elective Resolution during the year, pursuant to Section 386 of the Companies Act 1985, electing to dispense with the obligation to re-appoint auditors annually. The resolution remains in force.

This report was approved by the board on 23 July 2003.



Mr R N Luck

Secretary

**LR (Hotel Developments) Limited**  
**Statement of Director's Responsibilities**

Company law requires the director to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

**LR (Hotel Developments) Limited**  
**Auditors' Report**

**Independent auditors' report**  
**to the shareholder of LR (Hotel Developments) Limited**

We have audited the accounts of LR (Hotel Developments) Ltd for the year ended 30 September 2002 which comprise pages 5 to 10. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards. 1.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 transactions with the company 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.

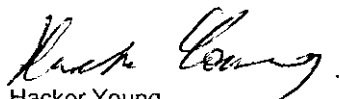
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hacker Young  
Chartered Accountants and Registered Auditors  
168 Church Road  
Hove  
East Sussex  
BN3 2DL

23 July 2003

**LR (Hotel Developments) Limited**  
**Profit and Loss Account**  
**for the year ended 30 September 2002**

	<b>Notes</b>	<b>Year to 30 September 2002 £</b>	<b>Year to 30 September 2001 £</b>
Net operating expenses	2	(1,550)	52,241
<b>Operating (loss)/profit</b>	3	<u>(1,550)</u>	<u>52,241</u>
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(1,550)</u>	<u>52,241</u>
Tax on (loss)/profit on ordinary activities		-	-
<b>(Loss)/profit for the financial year</b>		<u>(1,550)</u>	<u>52,241</u>
<b>Retained (loss)/profit for the financial year</b>	7	<u>(1,550)</u>	<u>52,241</u>

**LR (Hotel Developments) Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 30 September 2002**

	<b>Notes</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
(Loss)/profit for the financial year		(1,550)	52,241
Total recognised gains and losses related to the year		<u>(1,550)</u>	<u>52,241</u>



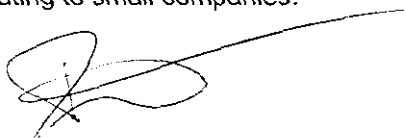
**LR (Hotel Developments) Limited**  
**Balance Sheet**  
**as at 30 September 2002**

	Notes	2002 £	2001 £
<b>Current assets</b>			
Debtors	4	14,767,491	14,595,578
<b>Creditors: amounts falling due within one year</b>	5	(14,831,079)	(14,657,616)
<b>Net current liabilities</b>		(63,588)	(62,038)
		<u>(63,588)</u>	<u>(62,038)</u>
<b>Capital and reserves</b>			
Called up share capital	6	8	8
Profit and loss account	7	(63,596)	(62,046)
<b>Shareholders' funds:</b>			
Equity		(63,588)	(62,038)
	8	<u>(63,588)</u>	<u>(62,038)</u>

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

Mr I M Livingstone  
 Director

Approved by the board on 23 July 2003



**LR (Hotel Developments) Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2002**

**1 Accounting policies**

The accounts have been prepared in accordance with applicable accounting standards. A summary of the more important accounting policies which have been consistently applied are given below.

**Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Deferred taxation**

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

**Cash flow statement**

The company has taken advantage of the exemption permitted by Financial Reporting Standard 1, whereby a cash flow statement need not be prepared by a small company as defined in the Companies Act 1985.

<b>2 Net operating expenses</b>	<b>2002 £</b>	<b>2001 £</b>
Property expenses	-	(53,791)
Administrative expenses	1,550	1,550
	<u>1,550</u>	<u>(52,241)</u>
<b>3 Operating (loss)/profit</b>	<b>2002 £</b>	<b>2001 £</b>
Operating profit/(loss) is stated after charging:		
Auditors remuneration	1,550	1,550
	<u>1,550</u>	<u>1,550</u>

**LR (Hotel Developments) Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2002**

**4 Debtors**

	<b>2002</b> £	<b>2001</b> £
Other debtors	14,491,527	14,595,578
Other taxes and social security costs	275,964	-
	<u>14,767,491</u>	<u>14,595,578</u>

**5 Creditors: amounts falling due within one year**

	<b>2002</b> £	<b>2001</b> £
Trade creditors	1,674	216,711
Amounts owed to related undertakings	14,827,855	14,347,074
Accruals and deferred income	1,550	93,831
	<u>14,831,079</u>	<u>14,657,616</u>

**6 Share capital**

	<b>2002</b> <b>No</b>	<b>2001</b> <b>No</b>	<b>2002</b> £	<b>2001</b> £
Authorised:				
Ordinary shares of £1 each (2001 \$1 each)	2	10	2	6
Deferred shares of \$1 each (2001 £1 each)	10	2	6	2
			<u>8</u>	<u>8</u>
	<b>2002</b> <b>No</b>	<b>2001</b> <b>No</b>	<b>2002</b> £	<b>2001</b> £
Allotted, called up and fully paid:				
Ordinary shares of £1 each (2001 \$1 each)	2	10	2	6
Deferred shares of \$1 each (2001 £1 each)	10	2	6	2
			<u>8</u>	<u>8</u>

**7 Profit and loss account**

	<b>2002</b> £	<b>2001</b> £
At 1 October 2001	(62,046)	(114,287)
Retained (loss)/profit	(1,550)	52,241
	<u>(63,596)</u>	<u>(62,046)</u>
At 30 September 2002		

**LR (Hotel Developments) Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2002**

<b>8 Reconciliation of movement in shareholders' funds</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
At 1 October 2001	(62,038)	(114,279)
(Loss)/profit for the financial year	(1,550)	52,241
At 30 September 2002	<u>(63,588)</u>	<u>(62,038)</u>

**9 Parent undertaking**

The company is a wholly owned subsidiary of London & Regional Hotel Holdings Ltd, a company incorporated and registered in England and Wales. The ultimate parent undertaking is Nutmeg Limited, a company incorporated in Guernsey, Channel Islands.