

Company Registration No. 3043860 (England And Wales)

**HANOVER INTERNATIONAL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**



# **HANOVER INTERNATIONAL LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	K Ranjan S McClure
<b>Secretary</b>	K Ranjan
<b>Company number</b>	3043860
<b>Registered office</b>	Exchange House, 13-14 Clements Court Clements Lane Ilford, Essex IG1 2QY
<b>Auditors</b>	Kingston Smith LLP Orbital House 20 Eastern Road Romford Essex, RM1 3PJ

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# **HANOVER INTERNATIONAL LIMITED**

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# HANOVER INTERNATIONAL LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007.

#### Principal activities

There were no activities during the year.

#### Directors

The following directors have held office since 1 January 2007:

S C Ackerman (Resigned 10 March 2008)

K Ranjan

S McClure (Appointed 10 March 2008)

#### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Kingston Smith LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

#### Directors' responsibilities

The directors are responsible for preparing 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.

#### Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



S McClure

Director

Date 21/1/09

# HANOVER INTERNATIONAL LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HANOVER INTERNATIONAL LIMITED

We have audited the financial statements of Hanover International Limited for the year ended 31 December 2007 set out on pages 3 to 8. These financial statements have been prepared under 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 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 the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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.

### **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 2007 and of its loss 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.

*Kingston Smith LLP*

Kingston Smith LLP  
Chartered Accountants  
Registered Auditors

Date *27 January 2009*  
Orbital House  
20 Eastern Road  
Romford  
Essex, RM1 3PJ

# HANOVER INTERNATIONAL LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £'000	2006 £'000
Operating loss	2	-	-
Exceptional item - provision against group loan	3	(219)	-
<b>(Loss) on ordinary activities before taxation</b>		(219)	-
Tax on profit/(loss) on ordinary activities	4	-	-
<b>Profit/(loss) for the year</b>	10	(219)	-

The profit and loss account has been prepared on the basis that all operations are discontinued operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

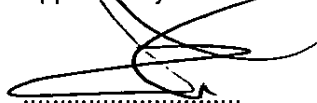
# HANOVER INTERNATIONAL LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2007

	Notes	2007 £'000	2006 £'000
<b>Fixed assets</b>			
Investments	6	31,640	31,640
<b>Current assets</b>			
Debtors	7	1,001	1,220
Cash at bank and in hand		72	70
		<u>1,073</u>	<u>1,290</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(95)</u>	<u>(93)</u>
<b>Net current assets</b>		978	1,197
<b>Total assets less current liabilities</b>		<u>32,618</u>	<u>32,837</u>
<b>Capital and reserves</b>			
Called up share capital	9	7,648	7,648
Share premium account	10	21,136	21,136
Profit and loss account	10	3,834	11,314
<b>Shareholders' funds</b>	11	<u>32,618</u>	<u>32,837</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.

Approved by the Board and authorised for issue on ..... 27/1/08



S McClure  
Director

# HANOVER INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and applicable accounting standards.

#### 1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.3 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### 2 Operating loss

Operating loss is stated after charging:  
Auditors' remuneration

2007	2006
£'000	£'000

1	1
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### 3 Exceptional item

Provision against group loan

2007	2006
£'000	£'000

219	-
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### 4 Taxation

Current tax charge

2007	2006
£'000	£'000

-	-
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Factors affecting the tax charge for the year

Loss on ordinary activities before taxation

(219)	-
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Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 - 30.00%)

(66)	-
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Effects of:

Provision against group loan

66	-
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Current tax charge

-	-
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An unquantifiable contingent liability exists to the extent that open tax enquiries, in respect of prior years tax returns of subsidiary undertakings, give rise to liabilities to corporation tax. The directors do not believe that any liability will arise.



# HANOVER INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

5	Dividends	2007 £'000	2006 £'000
	Ordinary interim paid	-	12,500

### 6 Fixed asset investments

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 1 January 2007 & at 31 December 2007	41,014
<b>Provisions for diminution in value</b>	
At 1 January 2007 & at 31 December 2007	9,374
<b>Net book value</b>	
At 31 December 2007	31,640
At 31 December 2006	31,640

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The subsidiary companies, all of which are wholly owned by the company and were incorporated in the United Kingdom, were as follows:

Hanover International Hotels Limited  
Hanover International Hotels Management (Daventry) Limited  
Hanover International Hotels Management (Reading) Limited  
Hanover Hotels No 2 Limited  
Tweed Investments Limited  
Tyne Limited

None of the subsidiary companies traded in the year although Hanover International Hotels Limited received interest and incurred residual expenditure following the cessation of the previous trade. The previous trade of the subsidiary companies was the provision of accommodation for hotel, training and conferencing and related services.

7	Debtors	2007 £'000	2006 £'000
	Amounts owed by subsidiary undertaking- Hanover International Hotels Limited	1,001	1,220

# HANOVER INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

<b>8 Creditors: amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Other creditors	95	93
	<hr/>	<hr/>
<b>9 Share capital</b>	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised</b>		
60,000,000 Ordinary shares of 25p each	15,000	15,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
30,592,670 Ordinary shares of 25p each	7,648	7,648
	<hr/>	<hr/>
<b>10 Statement of movements on reserves</b>	<b>Share premium account</b>	<b>Profit and loss account</b>
	<b>£'000</b>	<b>£'000</b>
Balance at 1 January 2007	21,136	4,053
Loss for the year	-	(219)
	<hr/>	<hr/>
Balance at 31 December 2007	21,136	3,834
	<hr/>	<hr/>
<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>
Loss for the financial year	(219)	-
Dividends	-	(12,500)
	<hr/>	<hr/>
Net depletion in shareholders' funds	(219)	(12,500)
Opening shareholders' funds	32,837	45,337
	<hr/>	<hr/>
Closing shareholders' funds	32,618	32,837
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# **HANOVER INTERNATIONAL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007**

### **12 Related party transactions**

In the previous year funds were transferred between the company and Hanover International Hotels Limited (a subsidiary company). This did not happen in the current year. Details of the year end balance with this company is disclosed in note 7 after allowing for a provision against this loan as referred to in note 3.

### **13 Control**

The company is a wholly owned subsidiary of Newforge Limited, a company resident in the Isle of Man. Newforge Limited is owned by Incorporated holdings Limited which is ultimately owned by the Bulgham Charitable Trust, an Isle of Man discretionary Trust, exclusively for the benefit of charitable beneficiaries. The trustees of The Bulgham Charitable Trust are Mr D J Morgan and Mr M F Crowe.