

Company Registration No. 03346172 (England and Wales)

Hotel du Vin (Tunbridge Wells) Limited
Directors' report and financial statements
For the year ended 31 December 2008

MONDAY



P9NJWC3F

PC2

03/08/2009

105

COMPANIES HOUSE

Hotel du Vin (Tunbridge Wells) Limited

Contents

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 12

Hotel du Vin (Tunbridge Wells) Limited

Directors' report

For the year ended 31 December 2008

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

Principal activities and review of the business

The Company is engaged in the management of a hotel and restaurant under the Hotel du Vin brand and is situated in the town of Tunbridge Wells.

The Company is a wholly owned subsidiary of MWB Malmaison Holdings Limited. This Group had 26 operating hotels at 31 December 2008 and a further two that are due to open in 2010. This business is well placed to continue its strong cash flow, both from its solid underpinning from freehold properties throughout the UK and also from the value of its earnings stream.

The Board identifies and evaluates risks and uncertainties in the period covered by its Business Plan and designs controls to mitigate these. Responsibility for management of each key risk is identified and delegated to specific Executives within the business. The Company is exposed to the risks of global and regional adverse political, economic and financial market developments (including recession and inflation), that could lower the Company's revenues and operating results in the future. Future results could also be adversely affected by events that reduce domestic or international activities, such as travel-related incidents or industrial action, increased transportation and fuel costs.

At 31 December 2008, the occupancy rate and average rate achieved per room both declined slightly compared with the levels achieved at the previous year end. The Company's income is assisted from generally stable business and leisure markets. Therefore, a downturn in these sectors could have an adverse effect on the revenues and net operating profits of the Company's hotel.

The Company formed part of the Malmaison and Hotel du Vin division of its ultimate parent company, MWB Group Holdings Plc ("MWB Group") for the period under review. The development, performance and position of the overall business including key performance indicators ("KPI's") are disclosed in the Operating Review on pages 10 to 15 of MWB Group's annual report and financial statements. Year on year movements for KPI's relating to this Company in particular are disclosed in the table below.

	2008	2007	Definition and method of calculation
Occupancy (% change)	(3.1%)	(1.3%)	The year on year movement of the number of rooms sold expressed as a percentage of the number of rooms available in the year.
Average room rate (% change)	(1.8%)	6.2%	The year on year movement of the achieved room rate calculated as total accommodation revenue divided by the number of rooms sold in the year expressed as a percentage.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of an ordinary dividend.

Statement of disclosure to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Hotel du Vin (Tunbridge Wells) Limited

Directors' report (continued)

For the year ended 31 December 2008

Directors

The following directors have held office since 1 January 2008:

AF Blurton	
J Singh	
RG Balfour-Lynn	(Resigned 15 December 2008)
JW Harrison	(Resigned 15 December 2008)
MA Bibring	
JS Shashou	(Resigned 17 June 2008)
RB Cook	(Appointed 15 December 2008)
PS Nisbett	(Resigned 11 April 2008)

None of the directors had any interest in the share capital of the Company. The interests of AF Blurton, J Singh and MA Bibring in the share capital of the ultimate holding company, MWB Group Holdings Plc (formerly Marylebone Warwick Balfour Group Plc), are disclosed in the financial statements of that company.

Auditors

A resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Directors' 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.

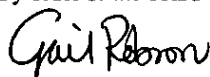
In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

By order of the board


G Robson
Secretary

179 Great Portland Street
London
W1W 5LS

6 July 2009

Independent auditors' report

To the members of Hotel du Vin (Tunbridge Wells) Limited

We have audited the financial statements of Hotel du Vin (Tunbridge Wells) Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 on page 2.

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.

KPMG Audit Plc

Independent auditors' report (continued)

To the members of Hotel du Vin (Tunbridge Wells) 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 profit for the year then ended;
- the financial statements 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.

KPMG Audit Plc

KPMG Audit Plc

Chartered Accountants
Registered Auditor

6 July 2009

8 Salisbury Square
London
EC4Y 8BB

Hotel du Vin (Tunbridge Wells) Limited

Profit and loss account

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover	2	3,798,886	3,933,256
Cost of sales		(1,770,264)	(1,826,248)
Gross profit		2,028,622	2,107,008
Administrative expenses		(1,945,011)	(1,912,361)
Profit on ordinary activities before taxation	3	83,611	194,647
Tax on profit on ordinary activities	4	-	-
Profit for the year	12	83,611	194,647

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

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

Hotel du Vin (Tunbridge Wells) Limited

Balance sheet

As at 31 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	6	913,879	823,485
Current assets			
Stocks	7	93,725	106,254
Debtors	8	1,828,288	1,035,415
Cash at bank and in hand		73,426	104,968
		1,995,439	1,246,637
Creditors: amounts falling due within one year	9	(2,331,060)	(1,575,475)
Net current liabilities		(335,621)	(328,838)
Total assets less current liabilities		578,258	494,647
Capital and reserves			
Called up share capital	11	400,000	400,000
Profit and loss account	12	178,258	94,647
Shareholders' funds	13	578,258	494,647

These financial statements were approved by the board of directors on 6 July 2009 and were signed on its behalf by:


A. Burton
Director


J Singh
Director

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements

For the year ended 31 December 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Under FRS 1 (Revised) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

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 Turnover

Turnover, which is wholly generated within the United Kingdom, represents the sales value of work done in respect of hotel management during the year and is exclusive of value added tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	straight line over 100 years
Fixtures and fittings	straight line over 5-10 years

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

The charge for taxation is based on the result for the year, which takes account of taxation deferred because of timing differences between the treatment of certain items for taxation purposes and the treatment under the Company's accounting policies.

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

In accordance with FRS 19, deferred tax is provided in respect of all timing differences that have originated, but not reversed at the balance sheet date that may give rise to an obligation to pay more or less tax in the future except as otherwise required by FRS 19. Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Deferred tax is measured on a non-discounted basis.

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2008

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2008 £	2007 £
Operating profit is stated after charging:		
Depreciation of tangible assets	168,709	127,123
Operating lease rentals	802,418	739,605
Fees for the audit of the Company	600	1,500

Fees for the audit of the Company represent the amount receivable by the Company's auditors. The amount may not be borne by the company.

Fees paid to the Company's auditors, KPMG Audit Plc, and its associates for services other than the statutory audit of the Company are not disclosed in these financial statements since the consolidated accounts of the ultimate parent undertaking, MWB Group Holdings Plc (formerly Marylebone Warwick Balfour Group Plc), are required to disclose non-audit fees on a consolidated basis.

4 Taxation	2008 £	2007 £
Current tax charge	-	-
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	83,611	194,647
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.50% (2007 - 30.00%)	23,829	58,394
Effects of:		
Excess of depreciation over capital allowances	46,900	38,137
Group relief from fellow subsidiaries for no consideration	(70,729)	(96,531)
	(23,829)	(58,394)
Current tax charge	-	-

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2008

5	Dividends	2008 £	2007 £
	Ordinary interim paid	-	839,666

6	Tangible fixed assets	Land and buildings Freehold £	Fixtures and fittings £	Total £
	Cost			
	At 1 January 2008	-	1,157,492	1,157,492
	Additions	10,000	249,103	259,103
	At 31 December 2008	10,000	1,406,595	1,416,595
	Depreciation			
	At 1 January 2008	-	334,007	334,007
	Charge for the year	-	168,709	168,709
	At 31 December 2008	-	502,716	502,716
	Net book value			
	At 31 December 2008	10,000	903,879	913,879
	At 31 December 2007	-	823,485	823,485

7	Stocks	2008 £	2007 £
	Finished goods and goods for resale	93,725	106,254

During the year there were no inventory write downs recognised as an expense within cost of sales (2007 - £nil).

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2008

8 Debtors	2008	2007
	£	£
Trade debtors	30,381	80,957
Amounts owed by parent and fellow subsidiary undertakings	1,744,279	880,432
Other debtors	11,023	16,941
Prepayments and accrued income	42,605	57,085
	<u>1,828,288</u>	<u>1,035,415</u>
9 Creditors: amounts falling due within one year	2008	2007
	£	£
Trade creditors	180,386	241,136
Amounts owed to parent and fellow subsidiary undertakings	1,915,595	1,082,774
Taxes and social security costs	166,962	176,440
Other creditors	15,926	18,470
Accruals and deferred income	52,191	56,655
	<u>2,331,060</u>	<u>1,575,475</u>
10 Pension and other post-retirement benefit commitments		
Defined contribution		
	2008	2007
	£	£
Contributions payable by the company for the year	<u>20,160</u>	<u>17,275</u>
11 Share capital	2008	2007
	£	£
Authorised		
400,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>
Allotted, called up and fully paid		
400,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2008

12 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 January 2008	94,647
Profit for the year	83,611
	<hr/>
Balance at 31 December 2008	178,258
	<hr/>

13 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	83,611	194,647
Dividends	-	(839,666)
	<hr/>	<hr/>
Net addition to/(depletion in) shareholders' funds	83,611	(645,019)
Opening shareholders' funds	494,647	1,139,666
	<hr/>	<hr/>
Closing shareholders' funds	578,258	494,647
	<hr/>	<hr/>

14 Contingent liabilities

The Company is registered with HM Revenue and Customs as a member of a Group for VAT purposes. As a result, it is jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of unpaid VAT.

15 Financial commitments

At 31 December 2008 the company was committed to making the following annual payments under non-cancellable operating leases in future years:

	Land and buildings	
	2008	2007
	£	£
Operating leases which expire:		
In over five years	802,418	802,418
	<hr/>	<hr/>

Hotel du Vin (Tunbridge Wells) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2008

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Directors	7	6
Hotel administration	57	55
	<u>64</u>	<u>61</u>

Employment costs

	2008 £	2007 £
Wages and salaries	925,470	957,779
Social security costs	86,032	98,527
Other pension costs	20,160	17,275
	<u>1,031,662</u>	<u>1,073,581</u>

None of the directors received any emoluments from the Company for their services during the year (2007 - £nil).

17 Control

The immediate parent company is Hotel du Vin Limited. The ultimate parent company is MWB Group Holdings Plc (formerly Marylebone Warwick Balfour Group Plc). All companies are registered in England and Wales.

The only group in which the results of the Company are consolidated is that headed by MWB Group Holdings Plc (formerly Marylebone Warwick Balfour Group Plc). The consolidated financial statements are available to the public and may be obtained from the Company Secretary, City Group plc, 30 City Road, London, EC1Y 2AG.

18 Related party transactions

As the Company is a wholly owned subsidiary of Hotel du Vin Limited, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).