

# Maybourne Hotels Limited

Directors' report and financial statements

**Year ended 31 December 2015**

***Registered number: 3669284***



# Maybourne Hotels Limited

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# Maybourne Hotels Limited

## Directors and other information

### Directors

Fady Bakhos  
Liam Cunningham

### Registered office

41- 43 Brook Street  
Mayfair  
London  
W1K 4HJ

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

### Bankers

Barclays Bank  
1 Churchill Place  
London  
E14 5HP

Allied Irish Bank (GB)  
City Office  
9-10 Angel Court  
London  
EC2R 7AB

### Solicitors

Macfarlanes LLP  
10 Norwich Street  
London  
EC4A 1BD

### Registered number

3669284

# Maybourne Hotels Limited

## Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2015.

### Activities

The principal activity of the company is the provision of management services to other entities within the group, where the parent company is Coroin Limited. The principal activity of these companies is the provision of five star deluxe hotel and restaurant services.

### Review of developments

The profit before tax for the year ended 31 December 2015 was £1.0 million (2014: loss of £0.7 million). The profit and loss account and other comprehensive income is shown on page 8.

The directors expect that the present activity level will at least be sustained for the foreseeable future.

### Dividends

During the year no dividends were paid or proposed (2014: £nil).

### Directors and their interests

The directors who held office during the year were as follows:

Stephen Alden	Resigned 21 July 2015
Liam Cunningham	Appointed 4 June 2015
Carole Walker	Resigned 29 February 2016
Fady Bakhos	Appointed 29 February 2016

The directors and secretary do not hold any material interests in the shares of the company or any other company in the group.

### Employees

The company's policy is to give full and fair consideration to the recruitment of disabled persons having regard to their particular aptitudes and abilities. Appropriate training will be arranged for disabled persons. The company's personnel policies ensure that all its employees are made aware, on a regular basis, of the company's policies, programmes and progress.

### Political donations

The company made no political contributions during the year.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each 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.

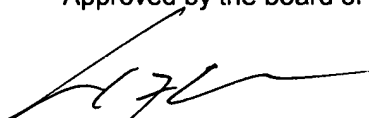
# Maybourne Hotels Limited

## Directors' report *(continued)*

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG will therefore continue in office.

Approved by the board of directors and signed on behalf of the board by



Liam Cunningham  
*Director*

16 September 2016

# Maybourne Hotels Limited

## Strategic report

The principal activity of the company is the provision of management services to other entities within the group, where the parent company is Coroin Limited. The principal activity of these companies is the provision of five star deluxe hotel and restaurant services.

The company achieved a turnover of £14.4 million in the year ended 31 December 2015 which is an increase of 6% on the year ended 31 December 2014.

The company produced an operating profit of £954,000 in the year to 31 December 2015 (2014: loss of £739,000).

### Business risks and uncertainties

The hotel industry's performance is closely aligned to the general economic environment. Therefore, a key risk facing the company is adverse economic conditions.

### Business review

The company expects 2016 to improve in terms of trading, and is confident that trading will perform above market levels.

By order of the board and signed on its behalf by



Liam Cunningham

Director

16 September 2016

# Maybourne Hotels Limited

## Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*.

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 of the profit or loss of the company for that year. In preparing these 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; and
- 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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



Liam Cunningham  
Director

16 September 2016



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## Independent auditor's report to the members of Maybourne Hotels Limited

We have audited the financial statements of Maybourne Hotels Limited ("the company") for the year ended 31 December 2015 set out on pages 8 to 23 which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

### Opinions and conclusions arising from our audit

#### **1 Our opinion on the financial statements is unmodified**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below**

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

#### **3 We have nothing to report in respect of matters on which we are required to report by exception**

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of the above responsibilities.





## Independent auditor's report to the members of Maybourne Hotels Limited (continued)

### Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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 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 annual 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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 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.

Laura Gallagher  
for and on behalf of  
KPMG

Chartered Accountants, Statutory Audit Firm  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

16 September 2016

# Maybourne Hotels Limited

Registered number: 3669284

## Profit and loss account and other comprehensive income for the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
<b>Turnover</b>	3	<b>14,431</b>	13,574
Cost of sales		<b>(5,819)</b>	(5,519)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>8,612</b>	8,055
Administration expenses – recurring		<b>(4,395)</b>	(5,559)
Administration expenses – exceptional	5	<b>(3,263)</b>	(3,235)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	6	<b>954</b>	(739)
Interest receivable and similar income	7	-	-
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>954</b>	(739)
Tax credit on profit/(loss) on ordinary activities	8	<b>1,629</b>	-
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year</b>		<b>2,583</b>	(739)
		<hr/>	<hr/>

The company had no other comprehensive income in the financial year or in the preceding financial year other than those dealt with in the profit and loss account and other comprehensive income. All activities in the current year and preceding periods are derived from continuing operations.

# Maybourne Hotels Limited

Registered number: 3669284


## Balance sheet

as at 31 December 2015

	Note	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Tangible assets	9	1,262	1,328
Financial assets	10	868	868
		<hr/>	<hr/>
		2,130	2,196
<b>Current assets</b>			
Debtors	11	326,006	286,718
Cash at bank and in hand		12,229	17,803
		<hr/>	<hr/>
		338,235	304,521
<b>Creditors: amounts due within one year</b>	12	(344,651)	(313,586)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(6,416)	(9,065)
		<hr/>	<hr/>
<b>Net liabilities</b>		(4,286)	(6,869)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	14	150	150
Share premium account		3,052	3,052
Profit and loss account		(7,488)	(10,071)
		<hr/>	<hr/>
<b>Deficit on shareholders' funds</b>		(4,286)	(6,869)
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 16 September 2016.

Signed on behalf of the board of directors



Liam Cunningham  
Director

# Maybourne Hotels Limited

Registered number: 3669284

## Statement of changes in equity for the year ended 31 December 2015

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
<b>At 1 January 2014</b>	<b>150</b>	<b>3,052</b>	<b>(9,332)</b>	<b>(6,130)</b>
Loss for the financial year	-	-	(739)	(739)
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2014</b>	<b>150</b>	<b>3,052</b>	<b>(10,071)</b>	<b>(6,869)</b>
Profit for the financial year	-	-	2,583	2,583
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>150</b>	<b>3,052</b>	<b>(7,488)</b>	<b>(4,286)</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes form an integral part of the financial statements.

# Maybourne Hotels Limited

## Notes

*forming part of the financial statements*

### 1 Reporting entity

Maybourne Hotels Limited is a company incorporated in the UK. The company's registered office is 41 - 43 Brook Street, Mayfair, London, W1K 5HJ.

### 2 Significant accounting policies

#### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements the company has adopted FRS 101 for the first time.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. The accounting policies set out in this note have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the company's date of transition).

The company noted no differences in its preparation of the comparative information presented in these financial statements for the year ended 31 December 2015. In preparing its FRS 101 balance sheet as at 1 January 2014 and 31 December 2014, the company made no adjustments to the amounts reported previously under old GAAP. In preparing its FRS 101 profit and loss account for the year ended 31 December 2014, the company made no adjustments to the amounts reported previously under UK GAAP.

In these financial statements, the company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain comparative information;
- the effects of new but not yet effective IFRSs; and
- an additional balance sheet for the beginning of the earliest comparative period following transition.

As the consolidated financial statements of Coroin Limited and subsidiaries include the equivalent disclosures, the company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and
- Certain disclosures required by IAS 36 *Impairment of Assets*.

# Maybourne Hotels Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### **Basis of measurement**

The financial statements have been prepared on the historical cost basis.

#### **Functional currency**

These financial statements are presented in sterling, being the functional currency of the company. All financial information presented in sterling has been rounded to the nearest thousand, except where otherwise stated.

#### **Foreign currency**

Transactions in foreign currencies are translated to the functional currency of the company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

#### **Use of estimates and judgements**

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The key accounting judgements and sources of estimation uncertainty affecting these financial statements relate are:

- Carrying amount of tangible fixed assets (note 9).
- Estimates and underlying assumptions are renewed on a going concern basis. Revisions are recognised prospectively.

#### **Going concern**

The financial statements have been prepared on the going concern basis.

#### **Taxation**

The income tax expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

# Maybourne Hotels Limited

## Notes (continued)

### 2 Significant accounting policies (continued)

#### Taxation (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit or loss as an integral part of the total lease expense.

#### Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

# Maybourne Hotels Limited

## Notes (continued)

### 2 Significant accounting policies (continued)

#### Pension

##### *Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

##### *Defined benefit plans*

The company is a participating employer in group defined benefit schemes operated by providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by (AS19 'Employee benefits'), accounts for the schemes as if they were defined contribution schemes. As a result the amount charged to profit or loss account represents the contributions payable to the schemes in respect of the accounting year.

#### Inventories

Inventories are measured at the lower of cost and net realisable value.

#### Non-derivative financial instruments

##### *Loans and receivables*

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

##### *Non-derivative financial liabilities*

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

##### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Ordinary dividends declared as final dividends are recognised as a liability in the period in which they are approved by shareholders. Interim dividends are recognised as a liability when declared.



# Maybourne Hotels Limited

## Notes (continued)

<b>3 Turnover</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
Property rental, management fees and ancillary business receipts	<b>14,431</b>	<b>13,574</b>

All turnover is derived from operations in the UK.

## 4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	<b>2015 No.</b>	<b>2014 No.</b>
Hotel and administration	<b>83</b>	<b>85</b>

The aggregate payroll costs of these persons were as follow:

	<b>2015 £'000</b>	<b>2014 £'000</b>
Wages and salaries	<b>5,086</b>	<b>4,576</b>
Social security costs	<b>452</b>	<b>624</b>
Other pension costs (excluding exceptional costs)	<b>282</b>	<b>319</b>
	<b>5,820</b>	<b>5,519</b>

## Director's remuneration

The directors received no remuneration for these services to the company (2014: nil).

## 5 Administration expenses – exceptional

Included in administration expenses are exceptional costs of £3.3 million (2014: £3.2 million) relating to additional monthly contributions paid to the defined benefit pension scheme to cover the shortfall in funding as recommended in the actuarial valuation at 31 March 2015.

These additional top up contributions increase annually at a rate determined by the Retail Price Index and are required to address the Minimum Funding Requirement shortfall.

Full details of the pension scheme are disclosed in the accounts of the company's parent undertaking (see also note 18).

# Maybourne Hotels Limited

## Notes *(continued)*

<b>6 Statutory information</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>Operating loss is stated after charging</b>		
Operating leases:		
Plant and machinery	-	-
Other assets	-	24
Depreciation – owned assets	<b>518</b>	<b>544</b>
	<hr/>	<hr/>
<b>Auditor's remuneration</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Audit of these financial statements	<b>15</b>	<b>15</b>
	<hr/>	<hr/>
Amounts receivable by the auditors and their associates in respect of:		
Other services relating to taxation	<b>18</b>	<b>18</b>
	<hr/>	<hr/>
<b>7 Interest receivable and similar income</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Deposit interest receivable	-	-
	<hr/>	<hr/>

# Maybourne Hotels Limited

## Notes (continued)

### 8 Income taxes

(a) Amounts recognised in profit or loss	2015 £'000	2014 £'000
<b>Current tax</b>		
UK corporation tax	-	-
Adjustment in respect of prior years	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of temporary differences	135	-
Impact of change in tax rates	179	-
Adjustments in respect of prior periods	(1,943)	-
<b>Total deferred tax credit</b>	(1,629)	-
<b>Reconciliation of tax credit</b>	<b>31 December 2015 £'000</b>	<b>31 December 2014 £'000</b>
Profit/ (loss) on ordinary activities before tax	954	(739)
Profit on ordinary activities before tax at the standard corporation tax rate in UK of 20.25% (2014: 21.49%)	193	(159)
Movement on deferred tax not recognised	-	117
Expenses not deductible for tax purposes	(58)	(108)
Impact of change in tax rates	179	-
Group relief (received)/ surrendered not paid for	-	150
Adjustment to tax charge in respect of previous periods	(1,943)	-
<b>Total tax credit</b>	(1,629)	-

Factors which may affect future tax charges;

Reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future tax charge accordingly.

# Maybourne Hotels Limited

## Notes (continued)

<b>9 Tangible fixed assets</b>	<b>Asset under course of construction £'000</b>	<b>Short leasehold properties £'000</b>	<b>Fixtures fittings, plant and machinery £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 31 December 2014	58	171	11,456	11,685
Additions	452	-	-	452
Reclassification	(287)	-	287	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>223</b>	<b>171</b>	<b>11,743</b>	<b>12,137</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 31 December 2014	-	171	10,186	10,357
Charge for the year	-	-	518	518
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>-</b>	<b>171</b>	<b>10,704</b>	<b>10,875</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
<b>At 31 December 2015</b>	<b>223</b>	<b>-</b>	<b>1,039</b>	<b>1,262</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	58	-	1,270	1,328
	<hr/>	<hr/>	<hr/>	<hr/>

In accordance with the company's accounting policies, the directors undertake an annual review of the carrying value of all other property, plant and equipment to determine whether there is any indication of impairment. An impairment test was performed at 31 December 2015 by comparing the carrying amount of these assets to their recoverable amounts.

The recoverable amount is determined as the higher of value in use and fair value less costs of disposal. In determining an asset's recoverable amount the directors are required to make judgements, estimates and assumptions that impact on the carrying value of the properties. The estimates and assumptions used are based on historical experience and other factors that are believed to be reasonable based on information available. At 31 December 2015, the fair value, and hence the recoverable amount were deemed to be significantly higher than the carrying amount. The directors conclude that The carrying value of property, plant and equipment is not impaired at 31 December 2015.

The estimated fair values of the long lease and freehold land and buildings would increase (decrease) if:

- the discount rate was higher (lower);
- the trading performance of the hotels improved (declined); or
- market yields increased (decreased).

# Maybourne Hotels Limited

## Notes (continued)

### 10 Financial fixed assets

Investment in subsidiary undertakings	2015 £'000	2014 £'000
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*At cost and net book value*

At beginning and end of year	868	868
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Subsidiary undertaking	Country of incorporation	Activity	Shareholding
Centralglen Limited	Great Britain	Dormant company	100%
The Opheans Limited	Great Britain	Dormant company	100%
Headfort Hotel (Belgravia) Limited	Great Britain	Dormant company	*100%
Motcomb Trust Limited	Great Britain	Dormant company	*100%
The Worcester Building Company Limited	Great Britain	Dormant company	100%
James Edward Limited	Great Britain	Dormant company	100%
The Strand Power Company Limited	Great Britain	Dormant company	100%
Beaufort Construction Limited	Great Britain	Dormant company	100%
Stones Chop House Limited	Great Britain	Dormant company	100%
The Claridge's Hotel Laundry Limited	Great Britain	Dormant company	100%
Patrick Spitfire Limited	Great Britain	Dormant company	100%
BP&S (1906) Limited	Great Britain	Dormant company	100%
Q&M Limited	Great Britain	Dormant company	100%
Project Castle Limited	Great Britain	Dormant company	100%
Only G Limited	Great Britain	Dormant company	100%
Speed 6060 Limited	Great Britain	Dormant company	100%

\*Indirect shareholdings

11 Debtors	2015 £'000	2014 £'000
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Trade debtors	89	89
Amounts owed by group undertakings	49,730	52,792
Amounts owed by parent company	271,682	231,488
Other debtors	201	186
Prepayments and accrued income	328	483
VAT recoverable	2,347	1,680
Deferred tax asset (note 13)	1,629	-

	<b>326,006</b>	<b>286,718</b>
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All amounts are due within one year.

# Maybourne Hotels Limited

## Notes (continued)

<b>12 Creditors:</b> amounts falling due within one year	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
Trade creditors	1,234	833
Amounts owed to group undertakings	339,301	309,020
Amounts owed to subsidiary undertaking	868	868
Other taxes and social security	155	186
Other creditors	155	21
Accruals and deferred income	2,938	2,658
	<hr/>	<hr/>
	<b>344,651</b>	<b>313,586</b>
	<hr/>	<hr/>

## 13 Deferred tax assets and liabilities

### *Recognised deferred tax assets and liabilities*

Deferred tax assets and liabilities are attributable to the following:

	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
At 1 January	-	-
Credited to profit and loss	1,629	-
	<hr/>	<hr/>
At 31 December	<b>1,629</b>	-
	<hr/>	<hr/>

	<b>Assets</b> <b>2015</b> <b>£'000</b>	<b>Assets</b> <b>2014</b> <b>£'000</b>	<b>Liabilities</b> <b>2015</b> <b>£'000</b>	<b>Liabilities</b> <b>2014</b> <b>£'000</b>
Tangible fixed assets	(1,139)	-	-	-
Tax vane of losses carried forward	(443)	-	-	-
Other temporary differences	(47)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net tax (assets)/liabilities</b>	<b>(1,629)</b>	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

# Maybourne Hotels Limited

## Notes (continued)

<b>14 Called up share capital</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
<b><i>Authorised, called up, allotted and fully paid</i></b>		
1,000,000 "A" ordinary shares of 10p each	<b>100</b>	100
500,000 "B" ordinary shares of 10p each	<b>50</b>	50
	<hr/>	<hr/>
	<b>150</b>	150
	<hr/>	<hr/>

Shares rank equally, except with respect to shareholder rights to dividends and return on capital, where "A" shares are worth 10,000 times more those of "B" shares.

<b>15 Capital commitments</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
Capital commitments (leasehold land and buildings):		
Contracted but not provided for in the accounts	<b>262</b>	-
	<hr/>	<hr/>

## **16 Operating leases**

Non-cancellable operating lease rentals are payable as follows:

	<b>2015 £'000</b>	<b>2014 £'000</b>
Less than one year	<b>3</b>	3
Between one and five years	<b>19</b>	643
More than five years	-	-
	<hr/>	<hr/>
	<b>22</b>	646
	<hr/>	<hr/>

During the year £703,000 was recognised as an expense in the profit and loss account in respect of operating leases (2014: £668,000).

## **17 Related party disclosures**

The company is exempt under the provisions of IAS 24 *Related Party Disclosures* from disclosing related party transactions entered into between two or more members of the group.

# Maybourne Hotels Limited

## Notes (continued)

### 18 Pensions and similar obligations

Maybourne Hotels Limited is a participating employer in two pension schemes:

- The Maybourne Hotels Group Pension and Life Insurance Scheme, a defined benefit scheme, which has two sections – the Staff and Senior Staff sections, was closed to new entrants with effect from 1 August 2006.
- The Maybourne Stakeholder Scheme, a defined contribution scheme, was introduced on 1 August 2006 and is open to all staff if they meet the eligibility criteria. Pensions for 37 employees (2014: 38 employees) are funded through this scheme. The defined contribution pension cost for the year amounted to £104,835 (2014: £131,490). To comply with the law, the company auto-enrolled all employees who are not members of any pension scheme from 1 April 2014 – autoenrolment stakeholder pension scheme. 26 employees were auto-enrolled in 2015 with a cost for the year of £21,602 (2014: £14,178). The company actively encourages staff to join the scheme as it believes that it is an important element of the remuneration package.

The directors are unable to identify the company's share of the scheme assets and liabilities as;

- Most scheme members have worked for more than one company within the group. The group structure has also changed materially over time due to restructurings, acquisitions and disposals. It is therefore not appropriate to allocate assets and liabilities between the participating companies.
- For funding purposes, the employers within the group share actuarial risks. The determination of cash contributions does not separately identify assets and liabilities for individual participating companies and all employers pay the same contribution rate in respect of accruing benefits. Contributions in respect of the past service deficit are paid separately by another group company.

As a result it is accounted for as a defined contribution scheme. The scheme is currently in surplus and the overall Group contributions have been capped at £320,334 a month (2014: £315,289 a month). At 31 December 2015 this surplus, calculated in accordance with IAS 19, amounted to £4.4 million (31 December 2014: deficit of £0.4 million). Full details of the scheme are disclosed in the accounts of Coroin Limited.



# Maybourne Hotels Limited

## Notes *(continued)*

### **19 Ultimate parent company**

The company's ultimate parent company is Constellation Hotels Holdings Ltd. S.C.A., a company incorporated in Luxembourg. This is the largest group in which the results of the company are consolidated.

Coroin Limited, a company incorporated in Great Britain and registered in England and Wales is the smallest group in which the results of the company are consolidated. Copies of those statutory accounts will be available from its registered office, 41 - 43 Brook Street, Mayfair, London, W1K 4HJ .

### **20 Explanation of transition to FRS 101 from old UK GAAP**

As stated in note 2, these are the company's first financial statements prepared in accordance with FRS 101. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the company's date of transition).

The company noted no differences in its preparation of the comparative information presented in these financial statements for the year ended 31 December 2015. In preparing its FRS 101 balance sheet as at 1 January 2014 and 31 December 2014, the company made no adjustments to the amounts reported previously under old GAAP. In preparing its FRS 101 profit and loss account for the year ended 31 December 2014, the company made no adjustments to the amounts reported previously under UK GAAP.

### **21 Subsequent events**

There were no events subsequent to the the balance sheet date that require adjustment to or disclosure in the financial statements.

### **22 Approval of financial statements**

The financial statements were approved by the board of directors on 16 September 2016.