

Registered number
3785379

NORTON CRATHORNE (NO.2) LIMITED

Report and Accounts

28 November 2013

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NORTON CRATHORNE (NO.2) LIMITED
Report and accounts
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NORTON CRATHORNE (NO.2) LIMITED
Company Information

Directors

K Arkley
J Hands

Secretary

Jordans Company Secretaries Limited

Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Registered office

The Old Library
The Drive
Sevenoaks
Kent
TN13 3AB

Registered number

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NORTON CRATHORNE (NO.2) LIMITED

Registered number: 3785379

Directors' Report

The directors present their report and accounts for the period ended 28 November 2013.

Principal activities

The company's principal activity during the year continued to be that of the ownership of the freehold of the Crathorne Hall and Norton House hotels.

Business review

The results for the period and financial position of the company are as shown in the annexed financial statements. The directors are optimistic as to the future success of the company.

Dividends

No dividends were paid during the period ended 28 November 2013 (2012 £Nil).

Directors

The following persons served as directors during the period:

K Arkley
J Hands

Directors' responsibilities statement

The directors are responsible for preparing 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 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). 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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 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.

NORTON CRATHORNE (NO.2) LIMITED

Registered number: 3785379

Directors' Report

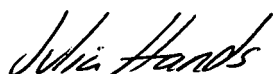
Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 21 May 2014



J Hands
Director

NORTON CRATHORNE (NO.2) LIMITED
Independent auditor's report
to the members of NORTON CRATHORNE (NO.2) LIMITED

We have audited the financial statements of Norton Crathorne (No.2) Limited for the period ended 28 November 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 November 2013 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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; or
- the directors were not entitled to prepare the director's report in accordance with the small companies' regime and from the requirement to prepare a strategic report.

BDO LLP

Stuart Collins (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
22 May 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

NORTON CRATHORNE (NO.2) LIMITED
Profit and Loss Account
for the period from 30 November 2012 to 28 November 2013

	Notes	2013 £	2012 £
Turnover		3,500	3,500
Administrative expenses		(85,089)	(85,090)
Operating loss	2	<u>(81,589)</u>	<u>(81,590)</u>
Interest payable and similar charges	4	(19,629)	(18,287)
Loss on ordinary activities before taxation		<u>(101,218)</u>	<u>(99,877)</u>
Tax on loss on ordinary activities	5	-	-
Loss for the period	9	<u>(101,218)</u>	<u>(99,877)</u>

Continuing operations

All results are derived from continuing operations.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above two periods.

NORTON CRATHORNE (NO.2) LIMITED
Balance Sheet
as at 28 November 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	6	5,662,457	5,747,142
Creditors: amounts falling due within one year	7	(1,226,760)	(1,210,227)
Net current liabilities		<u>(1,226,760)</u>	<u>(1,210,227)</u>
Total assets less current liabilities		<u>4,435,697</u>	<u>4,536,915</u>
Net assets		<u>4,435,697</u>	<u>4,536,915</u>
Capital and reserves			
Called up share capital	8	5,780,002	5,780,002
Profit and loss account	9	(1,344,305)	(1,243,087)
Shareholders' funds	10	<u>4,435,697</u>	<u>4,536,915</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 May 2014



J Hands
Director

NORTON CRATHORNE (NO.2) LIMITED

Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and preceding period.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

Basis of preparation: going concern

The Company reports net current liabilities and losses for the period. The parent company, Hand Picked Hotels has indicated that it will continue to provide financial support as necessary for the foreseeable future to ensure the Company can meet all liabilities as they fall due. On this basis the directors are satisfied that it is appropriate to prepare these accounts on a going concern basis.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax and represents the income receivable in respect of freehold properties.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings core	50 years
Freehold buildings surface finishes and services	20 years
Fixtures and fittings	4 to 25 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash flow statement

Under the provisions of FRS 1 (Revised): Cash Flow Statements, the Company has not prepared a cash flow statement because its parent company, Hand Picked Hotels Limited, prepares consolidated accounts. The cash flows of the Company are included in the consolidated cash flow statement.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax balances are not discounted.

NORTON CRATHORNE (NO.2) LIMITED**Notes to the Accounts****for the period from 30 November 2012 to 28 November 2013****1 Accounting policies (continued)*****Related party transactions***

The company has taken advantage of the exemptions in FRS 8 in connection with the disclosure of transactions with other wholly owned group undertakings.

2 Operating loss	2013	2012
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	84,685	84,685
Operating lease income	<u>(3,500)</u>	<u>(3,500)</u>

The auditor's remuneration for the period ended 28 November 2013 has been borne by another group company.

3 Staff costs	2013	2012
	Number	Number
Average number of employees during the year		
Administration	<u>2</u>	<u>2</u>

There were no staff costs for the period ended 28 November 2013 nor for the period ended 29 November 2012.

None of the directors received any remuneration for the period (2012: £nil).

4 Interest payable and similar charges	2013	2012
Group interest payable	<u>19,629</u>	<u>18,287</u>

NORTON CRATHORNE (NO.2) LIMITED

Notes to the Accounts

for the period from 30 November 2012 to 28 November 2013

5 Taxation	2013 £	2012 £
Analysis of charge in period		
Current tax	-	-
Deferred tax	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2013 £	2012 £
Loss on ordinary activities before tax	<u>(101,218)</u>	<u>(99,877)</u>
Standard rate of corporation tax in the UK	23.3%	24.7%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(23,632)	(24,669)
Effects of:		
Expenses not deductible for corporation tax purposes	19,771	20,917
Depreciation less than capital allowances		-
Income adjustment for tax purposes	351,387	557,590
Group relief claimed	(347,526)	(553,838)
	<hr/>	<hr/>
Current tax charge for period	-	-
	<hr/>	<hr/>

6 Tangible fixed assets

	Freehold Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 30 November 2012 and at 28 November 2013	<u>5,875,034</u>	<u>1,082,604</u>	<u>6,957,638</u>
Depreciation			
At 30 November 2012	478,098	732,398	1,210,496
Charge for the period	<u>41,381</u>	<u>43,304</u>	<u>84,685</u>
At 28 November 2013	<u>519,479</u>	<u>775,702</u>	<u>1,295,181</u>
Net book value			
At 28 November 2013	<u>5,355,555</u>	<u>306,902</u>	<u>5,662,457</u>
At 29 November 2012	<u>5,396,936</u>	<u>350,206</u>	<u>5,747,142</u>

Included in freehold land and buildings is freehold land of £1,167,451 (2012: £1,167,451) which is not depreciated.

NORTON CRATHORNE (NO.2) LIMITED**Notes to the Accounts****for the period from 30 November 2012 to 28 November 2013**

7 Creditors: amounts falling due within one year			2013	2012
			£	£
Amounts due to intermediate parent undertaking			420,797	400,764
Amounts due to fellow subsidiary undertaking			805,558	809,058
Accruals and deferred income			405	405
			<u>1,226,760</u>	<u>1,210,227</u>
8 Share capital	2013	2012	2013	2012
	Number	Number	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	5,780,002	5,780,002	<u>5,780,002</u>	<u>5,780,002</u>
9 Profit and loss account			2013	2012
			£	£
At 30 November			(1,243,087)	(1,143,210)
Loss for the period			(101,218)	(99,877)
			<u>(1,344,305)</u>	<u>(1,243,087)</u>
10 Reconciliation of movement in shareholders' funds			2013	2012
			£	£
At 30 November			4,536,915	4,636,792
Loss for the period			(101,218)	(99,877)
			<u>4,435,697</u>	<u>4,536,915</u>

11 Contingent liabilities

The company has granted fixed and floating charges over its assets in respect of group borrowing facilities. The amount owed by the Hand Picked Hotels Limited group as at 28 November 2013 was £80,000,000 (2012: £80,000,000).

12 Ultimate parent company and controlling party

The company's ultimate parent undertaking is Alscot Sarl, which is incorporated in Luxembourg. The company's immediate parent undertaking is Bestmexico Limited. The largest and smallest group in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited, the company's intermediate parent undertaking. The consolidated accounts of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

The controlling party is Mr G Hands.