

**HOXTON HOTELS (SHOREDITCH) LIMITED  
FORMERLY  
WILLOW STREET HOTEL LIMITED  
ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**Company Registration Number 3850699**

**RSM Tenon Limited**

Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

**SATURDAY**



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**A18**

**20/04/2013**

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**COMPANIES HOUSE**

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

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<b>CONTENTS</b>	<b>PAGES</b>
The directors' report	<b>1 to 3</b>
Independent auditor's report to the company	<b>4</b>
Abbreviated profit and loss account	<b>5</b>
Abbreviated balance sheet	<b>6</b>
Notes to the abbreviated accounts	<b>7 to 15</b>

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**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2012**

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The directors present their report and the financial statements of the company for the year ended 31 December 2012

**Principal activities and business review**

The principal activity of the company during the year is operation of a hotel in London trading as "The Hoxton"

During the course of the year the company continued to operate the Hoxton Hotel. Turnover from continuing activities increased by 7.1% but profit before exceptional administrative expenses and tax reduced by 4.4%. Occupancy levels were almost the same as the prior year, however the average room rate increased by 7.0%.

The directors have assessed the main risk facing the company as being a slow economic recovery that would lead to lower occupancy from corporate customers as well as lower weekend occupancy.

The directors believe that the quality of the product and customer service will help mitigate these risks and hope to see continued growth and satisfactory trading results in the coming year.

**Results and dividends**

The profit for the year, after taxation, amounted to £2,697,926. Particulars of dividends paid are detailed in note 7 to the financial statements.

**Financial risk management objectives and policies**

The company currently finances its operations through shareholder loans to fund start-up construction activities.

The management's objectives are to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus funds.

Hedge accounting is not used by the company.

As all the company's funds are invested in sterling bank deposit accounts there is no price risk exposure.

The company's funds are held primarily in short term variable rate deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise.

**Directors**

The directors who served the company during the year were as follows:

Mr S C S Beecham  
Mr G F Miller  
Mr P Newborough  
Ms A Harris (Alternate)  
Mr G N Hazell  
Mrs R Jeanmarnod-Karim  
Mr M Goyal

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**THE DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31 DECEMBER 2012**

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Mrs R Jeanmamod-Karim was appointed as a director on 7 June 2012

Mr M Goyal was appointed as a director on 7 June 2012

Mr S C S Beecham resigned as a chairman on 7 June 2012

Mr G F Miller resigned as a director on 7 June 2012

Mr P Newborough resigned as a director on 7 June 2012

Ms A Harris (Alternate) resigned as a director on 7 June 2012

Mr G N Hazell resigned as a director on 7 June 2012

Ms J C Van De Vreede was appointed as a director on 14 January 2013

**Directors' responsibilities**

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 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 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 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**THE DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31 DECEMBER 2012**

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**Auditor**

RSM Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
81 Great Eastern Street  
London  
EC2A 3HU

Signed on behalf of the directors

  
Mr M Goyal  
Director

Approved by the directors on

9<sup>th</sup> April 2013

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO HOXTON HOTELS  
(SHOREDITCH) LIMITED FORMERLY WILLOW STREET HOTEL  
LIMITED**

**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 5 to 15, together with the financial statements of Hoxton Hotels (Shoreditch) Limited formerly Willow Street Hotel Limited for the year ended 31 December 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Christopher Moss, Senior Statutory Auditor  
For and on behalf of

*RSM Tenon Audit Limited*

RSM Tenon Audit Limited  
Statutory Auditor  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

Date 16/04/13

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
<b>Turnover</b>		10,812,512	10,098,357
Cost of Sales and Other operating income		(2,297,811)	(2,089,472)
Administrative expenses excluding exceptional items		(3,817,665)	(3,131,588)
Exceptional administrative expenses	2	(798,370)	-
Administrative expenses		(4,616,035)	(3,131,588)
 <b>Operating profit</b>	 2	 3,898,666	 4,877,297
Interest receivable		18,378	42,477
Interest payable and similar charges	5	(172,613)	(166,182)
 <b>Profit on ordinary activities before taxation</b>		 3,744,431	 4,753,592
Tax on profit on ordinary activities	6	(1,046,505)	(1,218,816)
 <b>Profit for the financial year</b>		 <u>2,697,926</u>	 <u>3,534,776</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 7 to 15 form part of these abbreviated accounts

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

Registered Number 3850699

**ABBREVIATED BALANCE SHEET**

**31 DECEMBER 2012**

	Note	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Tangible assets	8		12,470,918		12,873,789
Investments	9		2		2
			<u>12,470,920</u>		<u>12,873,791</u>
<b>Current assets</b>					
Stocks	10	76,328		57,268	
Debtors	11	454,822		492,658	
Cash at bank and in hand		441,175		4,869,039	
		<u>972,325</u>		<u>5,418,965</u>	
<b>Creditors: Amounts falling due within one year</b>	12	(1,934,287)		(3,325,380)	
<b>Net current (liabilities)/assets</b>			(961,962)		2,093,585
<b>Total assets less current liabilities</b>			<u>11,508,958</u>		<u>14,967,376</u>
<b>Creditors: Amounts falling due after more than one year</b>	13		(5,034,497)		(9,066,531)
<b>Provisions for liabilities</b>					
Deferred taxation	15		(991,773)		(1,116,083)
			<u>5,482,688</u>		<u>4,784,762</u>
<b>Capital and reserves</b>					
Called-up share capital	18		10,010		10,010
Profit and loss account	19		5,472,678		4,774,752
<b>Shareholders' funds</b>	20		<u>5,482,688</u>		<u>4,784,762</u>

These abbreviated accounts have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 5<sup>th</sup> April 2013 and are signed on their behalf by

  
Mr M Goyal  
Director

The notes on pages 7 to 15 form part of these abbreviated accounts



**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

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**1 Accounting policies**

**Basis of accounting**

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

**Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the period, exclusive of Value Added Tax. The company has derived its turnover from the operation of a hotel in London. Room revenue is the main source of turnover for the company which is recognised over the period the rooms are occupied. Other income is recognised when an invoice is raised to the customer.

**Fixed assets**

Fixed assets are recorded at cost, less accumulated depreciation.

The cost of tangible fixed assets represents the actual purchase price paid, including directly attributable costs incurred in bringing an asset into full working order. Cost includes amortised issue costs and directly attributable costs up to the date of opening for trade.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Long leasehold buildings	2%
Plant & machinery	6.67%
Fixtures and fittings	10%
Computer equipment	33.3%

All the above categories of asset are depreciated on a straight line basis.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete items. Cost represents the purchase price of goods for resale.

**Pension costs**

The company operates a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

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**1. Accounting policies (continued)**

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

**Borrowings**

Borrowings are carried at their net issue proceeds plus finance costs less amounts paid. Finance costs, which comprise interest and issue costs, are allocated over the period of the borrowings to achieve a constant rate on the carrying amount

**Investments**

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

**Financing costs**

Interest costs are taken to the profit and loss account on an accrued basis. Costs in respect of the issue of debt are initially deducted from debt and amortised over the period of the loan. Amortisation costs were allocated to assets under the course of construction until the date of opening for trade

**2 Operating profit**

Operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of owned fixed assets	584,560	577,127
(Profit)/loss on disposal of fixed assets	(221)	22,406
Auditor's remuneration		
- as auditor	7,830	7,600
- other services	9,620	3,915
Exceptional items on sale of company	<u>798,370</u>	<u>-</u>

During the year there was an exceptional item of £798,370 (2011: £nil) in relation to expenses incurred on behalf of the previous shareholders for the sale of the company. The impact on the tax charge was nil (2011: £nil)

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**2 Operating profit (continued)**

**Auditor's fees**

The fees charged by the auditor can be further analysed under the following headings for services rendered

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Audit	7,830	7,600
Accountancy	5,935	—
Taxation	3,685	3,915
	<u>17,450</u>	<u>11,515</u>

**3. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>
Number of sales staff	3	3
Number of administrative staff	30	24
Number of management staff	9	9
	<u>42</u>	<u>36</u>

The aggregate payroll costs of the above were

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,205,173	1,138,879
Social security costs	125,099	122,818
Other pension costs	4,436	8,589
	<u>1,334,708</u>	<u>1,270,286</u>

No directors received emoluments through the company during the year

**4 Pensions**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £4,436 (2011 £8,589)

**5. Interest payable and similar charges**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	<u>172,613</u>	<u>166,182</u>

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**6. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	2012 £	2011 £
In respect of the year		
UK Corporation tax	1,120,092	1,342,503
Over provision in prior year	(4,396)	(2,322)
	1,115,696	1,340,181
Group relief	55,119	-
	1,170,815	1,340,181
Deferred tax		
Origination and reversal of timing differences	(124,310)	(121,365)
Tax on profit on ordinary activities	<u>1,046,505</u>	<u>1,218,816</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24% (2011 - 26%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>3,744,431</u>	<u>4,753,592</u>
Profit on ordinary activities by rate of tax	898,663	1,235,934
Effects of		
Capital allowances for period in excess of depreciation	62,892	26,248
Permanently disallowable expenditure	190,919	55,332
Tax chargeable at different rates	22,737	24,989
Over provision in prior year	(4,396)	(2,322)
Total current tax (note 6(a))	<u>1,170,815</u>	<u>1,340,181</u>

**(c) Factors that may affect future tax charges**

A reduction in the UK Corporation Tax rate from 24% to 23% was substantively enacted on 17 July 2012. This will reduce the company's future tax charge accordingly and the deferred tax liability has been calculated at this reduced rate. Further reductions are anticipated to reduce the Corporation Tax rate to 21%, however, this has not yet been substantively enacted.

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**7 Dividends**

**Equity dividends**

	2012 £	2011 £
Paid during the year		
Dividends on equity shares	2,000,000	—

An interim dividend of £15 (2011 £nil) per share was paid on 26 November 2012 on the A ordinary shares and B ordinary shares

An interim dividend of £5 (2011 £nil) per share was paid on 10 December 2012 on the A ordinary shares and B ordinary shares

**8 Tangible fixed assets**

	Long leasehold property £	Plant & Machinery £	Fixtures & fittings £	Equipment £	Total £
<b>Cost</b>					
At 1 January 2012	12,271,880	1,239,043	2,062,501	492,210	16,065,634
Additions	115,740	865	50,330	25,783	192,718
Disposals	—	—	(11,250)	(6,041)	(17,291)
At 31 December 2012	<u>12,387,620</u>	<u>1,239,908</u>	<u>2,101,581</u>	<u>511,952</u>	<u>16,241,061</u>
<b>Depreciation</b>					
At 1 January 2012	1,286,617	434,895	1,049,932	420,401	3,191,845
Charge for the year	247,438	83,237	208,418	45,467	584,560
On disposals	—	—	(1,926)	(4,336)	(6,262)
At 31 December 2012	<u>1,534,055</u>	<u>518,132</u>	<u>1,256,424</u>	<u>461,532</u>	<u>3,770,143</u>
<b>Net book value</b>					
At 31 December 2012	<u>10,853,565</u>	<u>721,776</u>	<u>845,157</u>	<u>50,420</u>	<u>12,470,918</u>
At 31 December 2011	<u>10,985,263</u>	<u>804,148</u>	<u>1,012,569</u>	<u>71,809</u>	<u>12,873,789</u>

**9. Investments**

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2012 and 31 December 2012	<u>2</u>
<b>Net book value</b>	
At 31 December 2012 and 31 December 2011	<u>2</u>

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**9. Investments (continued)**

WS Hotels Properties (Shoreditch) Limited is incorporated in England & Wales

The company owns 100% of the issued share capital of the company listed below

	2012 £	2011 £
<b>Aggregate capital and reserves</b>		
WS Hotels Properties (Shoreditch) Limited (dormant)	<u>2</u>	<u>2</u>

**10. Stocks**

	2012 £	2011 £
Consumable stores	<u>76,328</u>	<u>57,268</u>

**11. Debtors**

	2012 £	2011 £
Trade debtors	153,704	92,869
Amounts due from WS Hotels Limited	—	104,565
Prepayments and accrued income	<u>301,118</u>	<u>295,224</u>
	<u>454,822</u>	<u>492,658</u>

**12 Creditors: Amounts falling due within one year**

	2012 £	2011 £
Bank loans	—	1,235,037
Trade creditors	448,867	425,827
Amounts owed to Hoxton SARL	64,545	—
Amounts owed to WS Hotels Limited	—	15,657
Corporation tax	690,092	622,503
Other taxation	228,116	312,407
Other creditors	907	170,737
Accruals and deferred income	<u>501,760</u>	<u>543,212</u>
	<u>1,934,287</u>	<u>3,325,380</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2012 £	2011 £
Bank loans	<u>—</u>	<u>1,235,037</u>

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**13 Creditors Amounts falling due after more than one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank loans	–	9,066,531
Amounts owed to group undertakings	5,034,497	–
	<u>5,034,497</u>	<u>9,066,531</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank loans	–	9,066,531
	<u>–</u>	<u>9,066,531</u>

In accordance with Financial Reporting Standard 4 - "Capital Instruments", the costs of raising finance are initially netted off debt and then amortised over the life of the loan. On raising this finance, £21,000 of issue costs were deducted from debt. As the debt has been fully repaid in the during the year a charge of £7,677 (2011 £2,278) has been recognised

**14. Borrowings**

Creditors include finance capital which is due for repayment as follows

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Amounts repayable		
In one year or less or on demand	–	1,235,037
In more than one year but not more than two years	–	1,235,037
In more than two years but not more than five years	5,034,497	7,831,494
	<u>5,034,497</u>	<u>10,301,568</u>

**15. Deferred taxation**

The movement in the deferred taxation provision during the year was

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
At 1 January 2012	1,116,083	1,237,448
Profit and loss account movement arising during the year	(124,310)	(121,365)
At 31 December 2012	<u>991,773</u>	<u>1,116,083</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	991,773	1,116,083
	<u>991,773</u>	<u>1,116,083</u>

**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

**16 Derivatives**

The company holds no financial instruments that qualify as derivatives

**17. Related party transactions**

The company has taken exemption from disclosure of related party transactions with group members as permitted by Financial Reporting Standard 8 "Related Party Disclosures"

Mr S C S Beecham, a former director of the company, has an interest in the Pret A Manger Group which made sales of £63,534 (2011 £106,123) to the company

W S Hotels Limited, a company under the control of certain former directors, charged management charges to the company of £149,892 (2011 £201,967) The balance owed to W S Hotels Limited at 31 December 2012 was £nil (2011 £15,657) A loan to W S Hotels Limited, which at 31 December 2011 amounted to £104,565 was repaid during the year

**18. Share capital**

**Allotted, called up and fully paid:**

	2012 No	£	2011 No	£
82,300 A Ordinary shares of £0 10 each	82,300	8,230	82,300	8,230
17,700 B Ordinary shares of £0 10 each	17,700	1,770	17,700	1,770
100 Deferred shares of £0 10 each	100	10	100	10
	<u>100,100</u>	<u>10,010</u>	<u>100,100</u>	<u>10,010</u>

**19 Profit and loss account**

	2012 £	2011 £
Balance brought forward	4,774,752	1,239,976
Profit for the financial year	2,697,926	3,534,776
Equity dividends	(2,000,000)	-
Balance carried forward	<u>5,472,678</u>	<u>4,774,752</u>

**20 Reconciliation of movements in shareholders' funds**

	2012 £	2011 £
Profit for the financial year	2,697,926	3,534,776
Equity dividends	(2,000,000)	-
Net addition to shareholders' funds	697,926	3,534,776
Opening shareholders' funds	4,784,762	1,249,986
Closing shareholders' funds	<u>5,482,688</u>	<u>4,784,762</u>



**HOXTON HOTELS (SHOREDITCH) LIMITED FORMERLY  
WILLOW STREET HOTEL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2012**

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**21. Contingent Liabilities**

There is an intercompany corporate guarantee registered with the bank between Tulip Growth PCC Limited, Norlake Hospitality Limited and W S Hotels Properties (Shoreditch) Limited, a fixed and floating charge over the assets of the company and a first ranking legal mortgage charge over the property located at The Hoxton Hotel, 81 Great Eastern Street, City of London, EC2A 3HU securing the borrowings of Norlake Hospitality Limited

The maximum liability at 31 December 2012 was £40,000,000 (2011 £nil)

**22. Ultimate parent company**

From the 24th May 2012, the immediate controlling party is Norlake Hospitality Limited, a company registered in England & Wales. Norlake Hospitality Limited is the only company preparing group accounts including the financial statements of the company. Copies of the financial statements of Norlake Hospitality Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The directors consider the ultimate parent company to be Tulip Growth PCC, a company incorporated in Guernsey.

**23. Control**

The directors consider that the company has no controlling party.