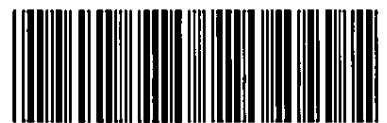


ICKWORTH HOTEL LIMITED

FINANCIAL STATEMENTS

**For the year ended
31 DECEMBER 2008**

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COMPANIES HOUSE

Company no 4098338

ICKWORTH HOTEL LIMITED
FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2008

Company registration number: 4098338

Registered office: Sixth Floor
90 Fetter Lane
London
EC4A 1PT

Director: A Davis

Secretary: G D Secretarial Services Limited

Solicitors: Goodman Derrick
Sixth Floor
90 Fetter Lane
London
EC4A 1PT

Kingsley Napley
Knights Quarter
14 St Johns Lane
London
EC1M 4AJ

Auditor: Grant Thornton UK LLP
Registered Auditor
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

ICKWORTH HOTEL LIMITED
FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2008

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The director presents his report together with the audited financial statements for the year ended 31 December 2008.

Principal activity

The principal activity of the company is that of a hotel operator.

Business review

There was a loss, after taxation amounting to £530,863 (2007: £699,953). The director does not recommend the payment of a dividend.

Director

Mr A Davis is the sole director of the company. He has no interest in the share capital of the company. His interest in the share capital of the parent undertaking is shown in that company's financial statements.

Financial risk management objectives and policies

The company uses various financial instruments. These include loans to and from group undertakings, cash, loans and various items, such as trade debtors and trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks, the principal ones of which are liquidity risk and credit risk.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The company finances its operations primarily from retained profits and bank borrowings.

Credit risk

The company's principal financial assets are cash and trade debtors, although it is not considered significant due to the nature of the business. Amounts owing from credit card companies represent a proportion of the company's trade debtors. However, the director considers credit risk to be limited due to the terms of contract and the company has with the credit card companies. In order to manage credit risk relating to other trade debtors, credit controllers and the director reviews the aged debtors and collection history on a regular basis.

Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the director to prepare financial statements for each financial year which 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 director is 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In so far as the director is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

The director is 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.

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 485 of the Companies Act 2006.

BY ORDER OF THE BOARD



G D Secretarial Limited
Secretary
23 October 2009

Company registration number: 4098338

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
ICKWORTH HOTEL LIMITED**

We have audited the financial statements of Ickworth Hotel Limited for the year ended 31 December 2008 which comprise the principal accounting policies, the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the note of historical cost profits and losses and notes 1 to 16. 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 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 director and auditor

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's 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 director's remuneration and other transactions is not disclosed.

We read the Director's 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 United Kingdom auditing standards 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.

**REPORT OF THE AUDITOR TO THE MEMBERS OF
ICKWORTH HOTEL 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 loss 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 Director's Report is consistent with the financial statements for the year ended 31 December 2008.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

LONDON
23 OCTOBER 2009

Basis of preparation

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

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Goodwill

Goodwill arising on acquisition is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised on a straight line basis through the profit and loss account over the director's estimate of its useful economic life, subject to annual impairment test.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Freehold buildings	50 years
Leasehold land and buildings	over the term of the lease
Fixtures, fittings and equipment	3 to 20 years

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to provide a constant periodic rate of charge on the net obligation outstanding in each period.

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

Stock

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

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

ICKWORTH HOTEL LIMITED
PROFIT AND LOSS ACCOUNT

For the year ended 31 DECEMBER 2008

	Note	2008 £	2007 £
Turnover	1	3,055,110	2,988,164
Cost of sales		<u>(465,329)</u>	<u>(633,258)</u>
Gross profit		2,589,781	2,354,906
Administrative expenses		<u>(3,090,235)</u>	<u>(3,036,137)</u>
Operating loss		(500,454)	(681,231)
Interest payable and similar charges	2	<u>(30,409)</u>	<u>(18,722)</u>
Loss on ordinary activities before taxation	1	(530,863)	(699,953)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss on ordinary activities after taxation		<u>(530,863)</u>	<u>(699,953)</u>

All transactions arise from continuing operations.

There were no recognised gains or losses other than the loss for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

ICKWORTH HOTEL LIMITED
BALANCE SHEET AT 31 DECEMBER 2008

	Note	2008 £	2007 £
Fixed assets			
Intangible assets	5	26,950	30,800
Tangible assets	6	<u>9,882,688</u>	<u>10,113,622</u>
		9,909,638	10,144,422
Current assets			
Stocks	7	39,777	44,565
Debtors	8	475,869	213,560
Cash at bank and in hand		<u>50,923</u>	<u>19,254</u>
		566,569	277,379
Creditors: amounts falling due within one year	9	<u>(5,810,212)</u>	<u>(5,224,943)</u>
Net current liabilities		<u>(5,243,643)</u>	<u>(4,947,564)</u>
Total assets less current liabilities		<u>4,665,995</u>	<u>5,196,858</u>
Capital and reserves			
Called up share capital	10	5,000,000	5,000,000
Share premium account	11	385,788	385,788
Revaluation reserve	11	1,633,954	1,633,954
Profit and loss account	11	<u>(2,353,747)</u>	<u>(1,822,884)</u>
Shareholders' funds	12	<u>4,665,995</u>	<u>5,196,858</u>

The financial statements were approved by the Director on 23 October 2009

A Davis - Director


For GD Secretarial Services Ltd.

The accompanying accounting policies and notes form an integral part of these financial statements.

ICKWORTH HOTEL LIMITED

Other Primary Statements

For the year ended 31 DECEMBER 2008

Statement of Total Recognised Gains and Losses

	2008	2007
	£	£
Loss for the financial year	(513,013)	(699,953)
Revaluation of fixed assets	-	-
Total recognised loss for the year	<u>(513,013)</u>	<u>(699,953)</u>

Note of historical cost profits and losses

	2008	2007
	£	£
Reported loss on ordinary activities before taxation	(513,013)	(699,953)
Difference between actual and historical cost depreciation	1,213	1,213
Historical cost loss on ordinary activities before taxation	<u>(511,800)</u>	<u>(698,740)</u>
Retained historical cost loss for the year after taxation and dividends	<u>(511,800)</u>	<u>(698,740)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

ICKWORTH HOTEL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2008

1 Turnover and loss on ordinary activities before taxation

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

The loss on ordinary activities before taxation is stated after:

	2008	2007
	£	£
Auditors' remuneration	7,899	7,420
Depreciation	232,820	232,826
Operating lease payables - other	<u>247,419</u>	<u>237,436</u>

2 Interest payable and similar charges

	2008	2007
	£	£
Bank loans and overdrafts	<u>30,409</u>	<u>18,722</u>

3 Directors and employees

Staff costs during the year were as follows:

	2008	2007
	£	£
Wages and salaries	1,030,886	1,043,285
Social security costs	<u>80,512</u>	<u>76,642</u>
	<u>1,111,398</u>	<u>1,119,927</u>

	2008	2007
	Number	Number
The average number of employees of the company during the year was	<u>68</u>	<u>66</u>

4 Tax on loss on ordinary activities

The tax charge is based on the loss for the year and represents:

	2008 £	2007 £
Current tax charge	-	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 28.5% (2007: 30%)	(151,296)	(209,986)
Effect of:		
Expenses not deductible for tax purposes	6,627	58
Depreciation for the period in excess of capital allowances	4,622	(20,580)
Losses surrendered to other group companies	140,047	190,493
Trading losses carried forward	-	40,015
	-	-

5 Intangible fixed assets

	Total £
Cost	
At 1 January 2008 and 31 December 2008	38,500
Amortisation	
At 1 January 2008	7,700
Provided in the year	3,850
At 31 December 2008	11,550
Net book amounts	
At 31 December 2008	26,950
At 31 December 2007	30,800

For the year ended 31 DECEMBER 2008

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 January 2008	3,500,000	3,588,384	4,043,836	11,132,220
Additions	-	-	1,886	1,886
At 31 December 2008	<u>3,500,000</u>	<u>3,588,384</u>	<u>4,045,722</u>	<u>11,134,106</u>
Depreciation				
At 1 January 2008	14,000	93,018	911,580	1,018,598
Provided in the year	14,000	23,253	195,567	232,820
At 31 December 2008	<u>28,000</u>	<u>116,271</u>	<u>1,107,147</u>	<u>1,251,418</u>
Net book amounts				
At 31 December 2008	<u>3,472,000</u>	<u>3,472,113</u>	<u>2,938,575</u>	<u>9,882,688</u>
At 31 December 2007	<u>3,486,000</u>	<u>3,495,366</u>	<u>3,132,256</u>	<u>10,113,622</u>

The group's properties were valued in July 2006 by an external valuer, Messrs Knight Frank LLP, Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Appraisal and Valuation Standard and FRS 15. The valuation of each property was on the basis of open market value based on existing use.

The historical cost of fixed assets is:

	Total £
Cost	
At 1 January 2008	5,998,767
Additions	-
At 31 December 2008	<u>5,998,767</u>
Depreciation	
At 1 January 2008	999,718
Charge for year	231,607
At 31 December 2008	<u>1,231,325</u>
Net book value	
At 31 December 2008	<u>4,767,442</u>
At 31 December 2007	<u>4,999,049</u>

ICKWORTH HOTEL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2008

7 Stocks

	2008	2007
	£	£
Goods for resale	<u>39,777</u>	<u>44,565</u>

8 Debtors

	2008	2007
	£	£
Trade debtors	25,296	34,726
Other debtors	2,690	72,854
Amounts due from group undertakings	417,622	-
Prepayments and accrued income	<u>30,261</u>	<u>105,980</u>
	<u>475,869</u>	<u>213,560</u>

9 Creditors: amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	154,608	755,534
Trade creditors	216,495	145,023
Amounts owed to group undertakings	5,000,000	4,000,000
Taxation and social security	53,979	35,089
Other creditors	269,612	234,187
Accruals and deferred income	<u>115,518</u>	<u>55,110</u>
	<u>5,810,212</u>	<u>5,224,943</u>

10 Share capital

	2008	2007
	£	£
Authorised		
9,500,000 ordinary shares of 50p each	4,750,000	4,750,000
500,000 founder shares of 50p each	<u>250,000</u>	<u>250,000</u>
	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid		
9,500,000 ordinary shares of 50p each	4,750,000	4,750,000
500,000 founder shares of 50p each	<u>250,000</u>	<u>250,000</u>
	<u>5,000,000</u>	<u>5,000,000</u>

The founder shares have the same rights as ordinary shares.

11 Reserves

	Share premium account £	Revaluation reserve	Profit and loss account £
At 1 January 2008	385,788	1,633,954	(1,822,884)
Loss for the year	-	-	(530,863)
At 31 December 2008	<u>385,788</u>	<u>1,633,954</u>	<u>(2,353,747)</u>

12 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Loss for the financial year	(530,863)	(699,953)
Capitalisation of intercompany loan	-	250,000
Opening shareholder's funds	<u>5,196,858</u>	<u>5,646,811</u>
Closing shareholders' funds	<u>4,665,995</u>	<u>5,196,858</u>

13 Capital commitments

The company had no capital commitments at 31 December 2008 or 31 December 2007.

14 Contingent liabilities

There were no contingent liabilities at 31 December 2008 or 31 December 2007.

15 Transactions with related parties

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings.

There are no other related party transactions.

16 Controlling related party

The immediate parent undertaking is von Essen Hotels 4 Limited and the ultimate parent undertaking is von Essen Mining and Development Corporation (UK) Limited, both companies being registered in England and Wales. The registered office is situated at 90 Fetter Lane, London EC4A 1PT.

The ultimate parent undertaking is owned by Mr A Davis.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by von Essen Mining and Development Corporation (UK) Limited.