

Company Registration No. 4290029

Jarvis Hotels East Grinstead Limited

Report and Financial Statements

For the 53 week period ended 1 April 2006



Jarvis Hotels East Grinstead Limited

Report and financial statements 2006

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Jarvis Hotels East Grinstead Limited

Directors' report

The directors have pleasure in presenting their report and the audited financial statements for the 53 week period ended 1 April 2006.

Review of the business and future prospects

The company has been dormant within the meaning of Section 249AA of the Companies Act 1985 throughout the year. It is anticipated that the company will remain dormant for the foreseeable future.

Financial results and dividends

The profit and loss account for the 53 week period ended 1 April 2006 is set out on page 4 and shows a profit on ordinary activities before tax of £Nil (2005: £225,000) and retained profit of £Nil (2005: £225,000). The directors do not recommend the payment of a dividend for the period (2005: £nil).

Directors and their interests

The directors of the company at 1 April 2006, all of whom have been directors for the whole of the period ended on that date unless otherwise stated, are shown below:

John Jarvis
Stephen Hebborn (appointed 21 September 2005)
Richard Thomason (resigned 10 September 2005)

John Jarvis and Stephen Hebborn are also directors of Kayterm Limited, and their interests are disclosed in the consolidated accounts of Kaytem Limited.

Approved by the Board of Directors
and signed on behalf of the Board



Duncan Beveridge
Company Secretary
10 July 2006

Jarvis Hotels East Grinstead Limited

Profit and loss account

53 week period ended 1 April 2006

	Note	2006 £000's	2005 £000's
Turnover	2	-	400
Cost of sales		-	(175)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	-	225
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
Retained profit carried forward		-	225
		<hr/>	<hr/>

The company had no recognised gains or losses other than those included above, and therefore no separate statement of recognised gains or losses has been presented.

Jarvis Hotels East Grinstead Limited

Balance sheet 1 April 2006

	Note	2006 £000's	2005 £000's
Current assets			
Debtors: amounts due from group companies		3,786	3,786
Net assets		<u>3,786</u>	<u>3,786</u>
Capital and reserves			
Called up share capital	6	-	-
Capital contribution	7	3,040	3,040
Profit and loss account	7	<u>746</u>	<u>746</u>
Total equity shareholders' funds		<u><u>3,786</u></u>	<u><u>3,786</u></u>

The annual accounts have not been audited because the company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these accounts in accordance with s249B(2).

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with Section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 10 July 2006.

Signed on behalf of the Board of Directors



Director

Jarvis Hotels East Grinstead Limited

Notes to the accounts

53 week period ended 1 April 2006

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. A summary of the principal accounting policies, which have been applied on a consistent basis throughout the current and the preceding period, is set out below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Related parties

The company has taken advantage of the exemption under paragraph 3(c) of Financial Reporting Standard 8 – 'Related Party Disclosures' not to disclose transactions or balances with other Group companies which are more than 90% owned within the Group.

Turnover

Turnover represents rental income from hotel properties, excluding VAT.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid, or recovered, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Fixed assets

- a) All tangible fixed assets are included in the balance sheet at cost plus subsequent additions at cost less accumulated depreciation and any impairment.
- b) Depreciation is provided on tangible fixed assets on a straight line basis as follows:
 - Long leasehold properties:
 - Core (structure) – 2% p.a.; Non Core (surface finishes and services) – 4% p.a.
 - Fixtures, fittings and equipment – between 7.5% p.a. and 10% p.a.

Cash flow statement

The company is a wholly owned subsidiary of Kayterm Limited. The cash flows of the company are included in the consolidated cash flow of Kayterm Limited, which are publicly available, and consequently, the company is exempt under the terms of Financial Reporting Standard 1 (as revised) – 'Cash flow' from preparing a cash flow statement.

2. Segmental analysis

The company's turnover, profit before taxation and net assets are derived entirely from its principal activity within the UK which is the ownership of hotels, and as such no segmental information has been disclosed.

3. Operating profit

	2006 £000's	2005 £000's
Operating profit is stated after (crediting)/charging:		
Rental income from operating leases	-	(400)
Depreciation	-	175

Auditors' remuneration has been borne by Jarvis Hotels Ltd, a fellow Group company. The company had no employees in the period (2005: nil).

Jarvis Hotels East Grinstead Limited

Notes to the accounts

53 week period ended 1 April 2006

4. Directors' emoluments

The remuneration of the directors is borne by Jarvis Hotels Ltd, the parent company.

5. Taxation

	2006 £000's	2005 £000's
United Kingdom corporation tax at 30% (2005: 30%)	-	-

6. Called up share capital

	2006 £	2005 £
Authorised:		
10 Ordinary shares of £1 each	10	10
Called up, allotted and fully paid		
1 Ordinary share of £1 each	1	1

7. Shareholders' funds

	Capital contribution £000's	Profit and loss account £000's	Total £000's
As at 27 March 2005	3,040	746	3,786
Retained profit for the period	-	-	-
At 1 April 2006	3,040	746	3,786

8. Reconciliation of movement in shareholders' funds

	2006 £000's	2005 £000's
Profit for the period	225	225
Opening equity shareholders' funds	3,561	3,561
Closing equity shareholders' funds	3,786	3,786

9. Parent undertaking

The company's ultimate parent undertaking and controlling party is Kayterm Limited, being incorporated in the United Kingdom and registered in England and Wales. Its immediate parent undertaking is Jarvis Hotels Limited. Group accounts are only prepared at the Kayterm Limited level.

Jarvis Hotels East Grinstead Limited

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53 week period ended 1 April 2006

10. Contingent liabilities

Jarvis Hotels East Grinstead Limited is a guarantor of the Bank Facilities Agreement held by Kayterm Limited and there are fixed and floating charges over all of the assets of Jarvis Hotels East Grinstead Limited in favour of Royal Bank of Scotland.

11. Related party transactions

The cost of the annual return fee was borne by the Company's parent company without any right of reimbursement.