

**Company Registration No. 5133159**

**Rocco Forte & Family (Geneva) Limited**

**Report and Financial Statements**

**30 April 2008**

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# **Rocco Forte & Family (Geneva) Limited**

## **Report and financial statements**

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# **Rocco Forte & Family (Geneva) Limited**

## **Report and financial statements**

### **Officers and professional advisers**

#### **Directors**

Pamela Dickson  
David Munns  
Moreno Occhiolini (resigned 21 April 2008)

#### **Secretary**

David Munns

#### **Registered office**

70 Jermyn Street  
London  
SW1Y 6NY

#### **Solicitors**

Forsters LLP  
31 Hill Street  
London  
W1J 5LS

#### **Bankers**

Bank of Scotland  
New Ueberior House  
11 Earl Grey Street  
Edinburgh  
EH3 9BN

#### **Auditors**

PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London  
EC1M 3AP

# **Rocco Forte & Family (Geneva) Limited**

## **Directors' report**

The directors present their annual report on the affairs of the Company, together with the accounts and auditors' report for the year ended 30 April 2008

### **Principal activity**

The principal activity of the Company is to hold an investment in a hotel property in Switzerland

### **Business review and future developments**

The company owns 100% of the issued share capital of Societe Anonyme de l'Hotel Richemond, which operates L'Hotel Richemond in Geneva. The hotel reopened in September 2007 after a complete refurbishment. The directors are optimistic regarding the future performance of this property.

### **Financial instruments**

The Company holds an investment in a hotel operating company located in Switzerland, and has used Swiss Franc denominated borrowings from its ultimate parent company to finance this foreign equity investment. The equity investment is denominated in Swiss Francs and the carrying amount is translated at the end of each accounting period at closing rates for inclusion in the Company's financial statements. Exchange gains or losses arising on the borrowings are offset as a reserve movement to the extent of exchange differences arising on the equity investment. The Company is subject to foreign exchange risk on the unhedged element of foreign currency borrowings.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

### **Results and dividends**

The loss for the period after taxation was £1,467,000 (2007: £890,000).

### **Directors**

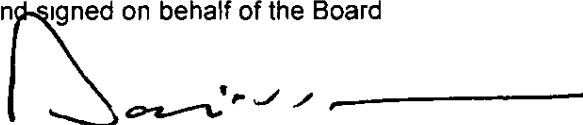
The names of the directors of the Company are stated on page 1, all of whom served throughout the period except as noted.

### **Disclosure of information**

So far as the directors are aware, there is no information needed by the Company's auditors in connection with preparing their report of which they are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

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



David Munns  
Director

## **Rocco Forte & Family (Geneva) Limited**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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). The financial statements are required to 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 judgments and 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 proper accounting records that 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 1985. 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.

# **Independent auditors' report to the members of Rocco Forte & Family (Geneva) Limited**

We have audited the financial statements of Rocco Forte & Family (Geneva) for the year ended 30 April 2008 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. The 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 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 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 directors and auditors**

The directors' responsibilities 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') are set out in the statement of directors' 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 have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' 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 directors' remuneration and other transactions is not disclosed.

We read the directors' 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 International Standards on Auditing (UK and Ireland) 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 judgments 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 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.

## **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 30 April 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 directors' report is consistent with the financial statements.

**PKF (UK) LLP**  
**PKF (UK) LLP**  
**Registered Auditors**  
**London, UK**  
*26 September 2008*

## Rocco Forte & Family (Geneva) Limited

### Profit and loss account Year ended 30 April 2008

	Note	Year ended 30 April 2008 £'000	Year ended 30 April 2007 £'000
Interest receivable and similar income		889	778
Interest payable and similar charges	2	(2,613)	(1,668)
<b>Loss on ordinary activities before taxation</b>	3	(1,724)	(890)
Tax on loss on ordinary activities	4	257	-
<b>Loss for the year</b>	10	<u>(1,467)</u>	<u>(890)</u>

All amounts relate to continuing activities

## **Rocco Forte & Family (Geneva) Limited**

### **Statement of total recognised gains and losses As at 30 April 2008**

	<b>Notes</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Loss for the year		(1,467)	(890)
Currency translation difference on foreign currency net investments	10	7,437	(2,723)
Currency translation difference on related borrowings	10	(7,437)	2,723
<b>Total recognised gains and losses relating to the year</b>		<u><u>(1,467)</u></u>	<u><u>(890)</u></u>

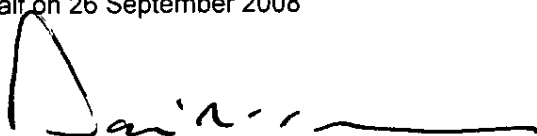


# Rocco Forte & Family (Geneva) Limited

## Balance sheet As at 30 April 2008

	Note	2008 £'000	2007 £'000
<b>Fixed assets</b>			
Investments	5	50,183	42,318
<b>Current assets</b>			
Debtors due within one year		257	-
<b>Net current assets</b>		257	-
<b>Total assets less current liabilities</b>		50,440	42,318
<b>Creditors: amounts falling due after one year</b>	7	(53,737)	(44,148)
<b>Net liabilities</b>		(3,297)	(1,830)
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Share premium account	9	46	46
Foreign exchange reserve	10	2	2
Profit and loss account	10	(3,345)	(1,878)
<b>Shareholder's deficit</b>	11	(3,297)	(1,830)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2008



David Munns

Director

# Rocco Forte & Family (Geneva) Limited

## Notes to the accounts Year ended 30 April 2008

### 1 Accounting policies

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

#### **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 liabilities and losses for the year. The parent company 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.

#### **Cash flow**

Under the provisions of FRS 1 (Revised), the Company has not prepared a cash flow statement because its ultimate parent company, Rocco Forte & Family (Luxury Hotels) Limited, which is incorporated in Great Britain, prepared consolidated accounts which include the accounts of the Company for the period from that date, and which contain an appropriate cash flow statement of the Company.

#### **Exemption from preparation of group accounts**

The Company has taken advantage of section 228 of the Companies Act 1985 and elected not to prepare consolidated accounts. These financial statements show company only results not group.

#### **Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

The results of overseas operations are normally translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets, and results of overseas operations and on foreign currency borrowings, to the extent that they hedge the Company's investment in such operations, are dealt with through reserves.

#### **Investments**

Fixed asset investments are shown at cost less provision for impairment, in accordance with FRS 11.

#### **Related party disclosures**

As a subsidiary undertaking of Rocco Forte & Family (Luxury Hotels) Limited, the Company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by Rocco Forte & Family (Luxury Hotels) Limited.

#### **Taxation**

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

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

## **Rocco Forte & Family (Geneva) Limited**

### **Notes to the accounts Year ended 30 April 2008**

#### **2 Interest payable and similar charges**

	<b>Year ended 30 April 2008 £'000</b>	<b>Year ended 30 April 2007 £'000</b>
Interest payable to group undertakings	2,157	1,668
Foreign exchange losses	456	-
	<u>2,613</u>	<u>1,668</u>

#### **3 Loss on ordinary activities before taxation**

Auditors remuneration for audit services of the Company for the year of £1,850 (2007 £1,750) has been borne by the parent undertaking, Rocco Forte & Family (Luxury Hotels) Limited

The Company had no employees other than its directors during the year. The directors received no remuneration in respect of services to the Company during the year.

# Rocco Forte & Family (Geneva) Limited

## Notes to the accounts Year ended 30 April 2008

### 4 Tax on loss on ordinary activities

	Year ended 30 April 2008 £'000	Year ended 30 April 2007 £'000
UK corporation tax – consortium relief	(257)	-
Deferred tax		
Origination and reversal of timing differences (credit) / charge	-	-
Total tax credit	(257)	-

There are no recognised deferred tax assets or liabilities as at 30 April 2008

There are unprovided deferred tax assets as at 30 April 2008 as follows

	2008 £'000	2007 £'000
Tax losses available	768	563
Unprovided provision for deferred tax asset	768	563

The difference between the total current tax shown and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax as follows

	2008 £'000	2007 £'000
Loss on ordinary activities before tax	(1,724)	(890)
Tax at 30% (2007 30%)	(517)	(267)
Effects of		
Expenses not deductible for tax purposes	-	-
Utilisation of tax losses and tax losses carried forward	260	267
Current tax credit for the year	(257)	-

# Rocco Forte & Family (Geneva) Limited

## Notes to the accounts Year ended 30 April 2008

### 5. Fixed asset investments

	Shares in subsidiary undertakings £'000	Loans to subsidiary undertakings £'000	Total £'000
<b>Cost and net book value</b>			
At 1 May 2007	24,025	18,293	42,318
Interest	-	889	889
Repayments	-	(461)	(461)
Foreign exchange movement	4,177	3,260	7,437
At 30 April 2008	28,202	21,981	50,183

Loans to subsidiary undertakings bear interest at Swiss Franc LIBOR plus a margin of 2.0%, and are repayable on 30 April 2015

The Company has investments in the following subsidiaries

Subsidiary undertaking	Country of incorporation and principal business	Principal activity	Holding %
Rocco Forte & Family (Geneva) SA*	Switzerland	Hotel investment	100%
Societe Anonyme de l'Hotel Richemond	Switzerland	Hotel operation	100%
* Held directly			

On 25 June 2007, the name of Sir Rocco Forte & Family (Geneva) SA was changed to Rocco Forte & Family (Geneva) SA

# Rocco Forte & Family (Geneva) Limited

## Notes to the accounts Year ended 30 April 2008

### 6. Debtors, amounts falling due within one year

	2008 £'000	2007 £'000
Amounts owed by related parties	257	-
	<u>257</u>	<u>-</u>

### 7. Creditors: amounts falling due after more than one year

	2008 £'000	2007 £'000
Amounts owed to ultimate parent company – due after more than five years	53,737	44,148
	<u>53,737</u>	<u>44,148</u>

Amounts due to the ultimate parent company bear interest at Swiss Franc LIBOR plus a margin of 2.0%, and are repayable on 30 April 2015

### 8 Called up share capital

	2008 £	2007 £
<b>Authorised:</b> 10,000 ordinary shares of £1	10,000	10,000
<b>Allotted, called up and fully paid</b> 46 ordinary shares of £1	<u>46</u>	<u>46</u>

### 9. Share premium account

	£'000
At 1 May 2007 and at 30 April 2008	<u>46</u>

## **Rocco Forte & Family (Geneva) Limited**

### **Notes to the accounts Year ended 30 April 2008**

#### **10. Reserves**

	<b>Foreign exchange reserve £'000</b>	<b>Profit and loss account £'000</b>
At 1 May 2007	2	(1,878)
Loss for the year	-	(1,467)
Currency translation difference on foreign currency net investments	7,437	-
Currency translation difference on related borrowings	(7,437)	-
At 30 April 2008	<u>2</u>	<u>(3,345)</u>

## Rocco Forte & Family (Geneva) Limited

### Notes to the accounts Year ended 30 April 2008

#### 11. Reconciliation of movements in Shareholder's deficit

	2008 £'000	2007 £'000
Loss for the year	(1,467)	(890)
Currency translation difference on foreign currency net investments	7,437	(2,723)
Currency translation difference on related borrowings	(7,437)	2,723
Net increase to Shareholder's deficit	(1,467)	(890)
Opening Shareholder's deficit	(1,830)	(940)
Closing Shareholder's deficit	(3,297)	(1,830)

#### 12. Related party transactions

The company made charges for consortium relief to Rocco Forte & Family Plc totalling £257,000 (2007 £nil)

#### 13. Contingent liabilities

The Company is party to a group loan facility over which the Group's bankers have a cross guarantee. The amount outstanding on this facility at 30 April 2008 was £161,772,000 (2007 £145,949,000)

#### 14. Ultimate holding company and controlling party

The Company's immediate and ultimate parent undertaking is Rocco Forte & Family (Luxury Hotels) Limited, a company incorporated in Great Britain. This is the only group in which the results of the Company are consolidated. Copies of the group financial statements of Rocco Forte & Family (Luxury Hotels) Limited are available from 70 Jermyn Street, London, SW1Y 6NY