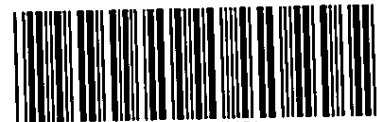


RAINBOW HOTEL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

**REGISTRAR'S COPY
OF ACCOUNTS**

THURSDAY



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COMPANIES HOUSE

Cavendish
Chartered Certified Accountants
Statutory Auditor
4th Floor , Centre Heights
137 Finchley Road
London NW3 6JG

Ref 6088

RAINBOW HOTEL LIMITED

COMPANY INFORMATION

Directors	M Pasquale G T Lever
Secretary	M A Avis
Company number	5177974
Registered office	2nd Floor, The Atrium 31 Church Road Ashford Middlesex TW15 2UD
Auditors	Cavendish Chartered Certified Accountants Statutory Auditor Statutory Auditor 4th Floor, Centre Heights 137 Finchley Road London NW3 6JG
Bankers	The Royal Bank of Scotland PLC
Solicitors	Stephenson Harwood

RAINBOW HOTEL LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2 - 3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

RAINBOW HOTEL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company continued to be that of hotel management

Directors

The following directors have held office since 1 January 2009

M Pasquale

G T Lever

Auditors

The auditors, Cavendish, are deemed to be reappointed under section 487(2) of the Companies Act 2006

Statement of 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all 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 relating to small companies within Part 15 of the Companies Act 2006.

By order of the board


M A Avis

Secretary

30 June 2010

RAINBOW HOTEL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RAINBOW HOTEL LIMITED

We have audited the financial statements of Rainbow Hotel Limited for the year ended 31 December 2009 set out on pages 4 to 9. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RAINBOW HOTEL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF RAINBOW HOTEL LIMITED

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 financial statements and the directors' report in accordance with the small companies regime

Cavendish

Sonja Henry ACA (Senior Statutory Auditor)
for and on behalf of Cavendish

30 June 2010

Chartered Certified Accountants
Statutory Auditor

4th Floor, Centre Heights
137 Finchley Road
London NW3 6JG

RAINBOW HOTEL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Turnover		1,767	1,785
Cost of sales		(1,362)	(1,444)
Gross profit		405	341
Administrative expenses		(383)	(353)
Operating profit/(loss)	2	22	(12)
Other interest receivable and similar income	3	1	5
Profit/(loss) on ordinary activities before taxation		23	(7)
Tax on profit/(loss) on ordinary activities	4	(7)	-
Profit/(loss) for the year	10	16	(7)

RAINBOW HOTEL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Tangible assets	5	160	142
Current assets			
Stocks		23	23
Debtors	6	181	223
		204	246
Creditors' amounts falling due within one year	7	(312)	(359)
Net current liabilities		(108)	(113)
Total assets less current liabilities		52	29
Provisions for liabilities	8	(7)	-
		45	29
Capital and reserves			
Profit and loss account	10	45	29
Shareholders' funds		45	29

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 30 June 2010

M Pasquale
Director



Company Registration No. 5177974

RAINBOW HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Turnover

Turnover represents income from room letting together with ancillary services. Turnover represents amounts receivable for goods and services net of trade discounts, VAT and other sales-related taxes.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% Straight Line
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1.4 Deferred taxation

Deferred taxation is provided in full on timing differences that 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 rate and law. Timing differences arise from the inclusion of items of income and expenditure in taxation 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 assets and liabilities are not discounted.

2 Operating profit/(loss)	2009 £'000	2008 £'000
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	69	44
Auditors' remuneration	2	4

3 Investment income	2009 £'000	2008 £'000
Bank interest	1	5

4 Taxation	2009 £'000	2008 £'000
Deferred tax		
Origination and reversal of timing differences	7	-

There is no charge to corporation tax due to the availability of group relief.

RAINBOW HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

5 Tangible fixed assets

	Fixtures, fittings & equipment £'000
Cost	
At 1 January 2009	218
Additions	87
	<hr/>
At 31 December 2009	305
	<hr/>
Depreciation	
At 1 January 2009	76
Charge for the year	69
	<hr/>
At 31 December 2009	145
	<hr/>
Net book value	
At 31 December 2009	160
	<hr/>
At 31 December 2008	142
	<hr/>

6 Debtors	2009 £'000	2008 £'000
Trade debtors	44	58
Other debtors	137	165
	<hr/>	<hr/>
	181	223
	<hr/>	<hr/>

7 Creditors: amounts falling due within one year	2009 £'000	2008 £'000
Trade creditors	194	200
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	11
Taxation and social security	28	27
Other creditors	90	121
	<hr/>	<hr/>
	312	359
	<hr/>	<hr/>

RAINBOW HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

8 Provisions for liabilities

	Deferred tax liability £'000
Profit and loss account	7
Balance at 31 December 2009	<u>7</u>

The deferred tax liability is made up as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	<u>7</u>	<u>-</u>

9 Share capital

	2009 £	2008 £
Authorised		
1000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

10 Statement of movements on profit and loss account

	Profit and loss account £'000
Balance at 1 January 2009	29
Profit for the year	<u>16</u>
Balance at 31 December 2009	<u>45</u>

RAINBOW HOTEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

11 Control

The immediate parent undertaking and controlling party is CNC Properties Limited. The ultimate parent undertaking is The Gouray Lodge Charitable Trust, established in Jersey. David Kirch is the ultimate controlling party by virtue of his position as trustee of The Gouray Lodge Charitable Lodge.

The largest group into which the Company's accounts are consolidated is Armworth House Limited, a company incorporated in Jersey.

The Company's immediate parent company and the parent undertaking for the smallest group into which the Company's accounts are consolidated is CNC Properties Limited, a company incorporated in Great Britain. Copies of the group financial statements of CNC Properties Limited are available from the Secretary, 2nd Floor, The Atrium, 31 Church Road, Ashford, Middlesex, TW15 2UD.

12 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

During the year the company incurred management fees totalling £23,000 (2008 £26,000) payable to M Pasquale, one of the company's directors. As at 31 December 2009, amounts totalling £35,000 (2008 £37,000) were due to M Pasquale and included in accruals.

Included in other creditors is an amount of £4,000 (2008 £42,000) due to CNC Property Fund Management Limited, a company in which R J Locker, one of the directors of the company's parent company CNC Properties Limited, is also a director and a shareholder.