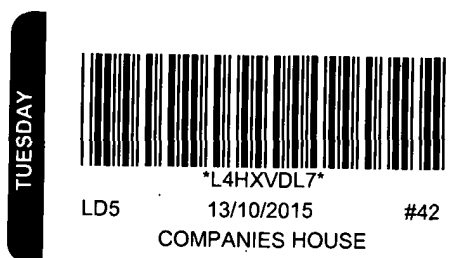


Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Report and Financial Statements

Year ended 30 April 2015

Company Number 5429520



Rocco Forte & Family (Luxury Hotels) (Germany) Limited

**Report and financial statements
for the year ended 30 April 2015**

Contents

Page:

1	Strategic report
2	Report of the Directors
3	Directors' responsibilities
4	Independent auditor's report
6	Profit and loss statement
7	Balance sheet
8	Notes forming part of the financial statements

Directors

The Hon Sir Rocco J V Forte
David Gareth Caldecott

Registered office

70 Jermyn Street, London, SW1Y 6NY

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Bankers

Bank of Scotland, The Mound, Edinburgh, EH1 1YZ

Solicitors

Forsters LLP, 31 Hill Street, London, W1J 5LS

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Strategic report for the year ended 30 April 2015

The Directors present their strategic report and the audited financial statements for the year ended 30 April 2015.

Review of operations

The principal activity of the Company is to hold an investment in a subsidiary company, Rocco Forte & Family (Luxury Hotels) GmbH. This subsidiary leases Villa Kennedy in Frankfurt and holds an investment in Rocco Forte & Family (Munich) GmbH which leases The Charles Hotel in Munich. The Directors are optimistic regarding the future performance of these properties.

The profit for the year after taxation was £28,982 (2014 – loss of £1,000).

In addition to regular review of the financial performance of the hotels, the Directors closely monitor a number of performance indicators alongside the financial results. These include the rate and occupancy performance of the hotels compared to their local competitive sets, independent assessments of service quality against operational service standards, direct research with customers, comment cards and online feedback direct to the hotel or through the feedback website.

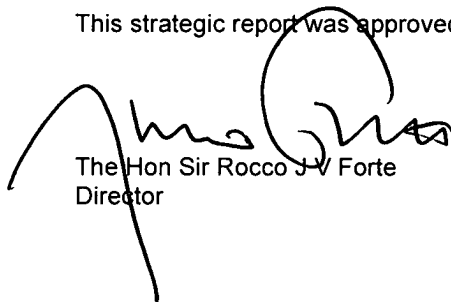
Principal risks and uncertainties

The Directors consider the following to be the principal risks and uncertainties facing the Company:

- Exchange and interest rate exposure; and
- The impact of global issues such as recession and conflicts on the performance of the Company's investments.

Approval

This strategic report was approved on behalf of the Board on 29 September 2015 by:



The Hon Sir Rocco J V Forte
Director

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Report of the Directors for the year ended 30 April 2015

The Directors present their annual report and the audited financial statements for the year ended 30 April 2015.

Directors

The Directors of the Company, all of whom served throughout the year, were:

The Hon Sir Rocco J V Forte
David Gareth Caldecott

Results and dividends

The profit for the year after taxation was £28,982 (2014 – loss of £1,000). The Directors do not propose the payment of a dividend (2014 - £Nil).

Financial risk management

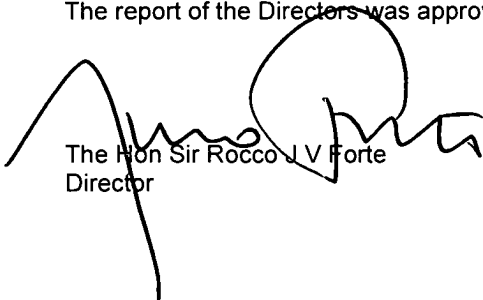
The main financial risks faced by the Company relate to interest rates and foreign currency. These risks are managed at a Group level, under the control of the Chief Financial Officer and within policies approved by the Board. The Group's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to these risks.

Provision of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

The report of the Directors was approved on behalf of the Board by:



The Hon Sir Rocco J V Forte
Director

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Directors' responsibilities

The directors are responsible for preparing the strategic report, the report of the Directors 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.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Independent auditor's report

TO THE MEMBERS OF ROCCO FORTE & FAMILY (LUXURY HOTELS) (GERMANY) LIMITED

We have audited the financial statements of Rocco Forte & Family (Luxury Hotels) (Germany) Limited for the year ended 30 April 2015 which comprise the profit and loss statement, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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

As explained more fully in the statement of directors' responsibilities, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Independent auditor's report (*continued*)

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.

BDO LLP

Stuart Collins (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

29 September 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Profit and loss statement for the year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Release of impairment allowance on investment	4	23	-
Foreign exchange gains		8	1
Interest payable to Group companies		(2)	(2)
Profit / (loss) on ordinary activities before taxation	2	29	(1)
Tax on profit/(loss) on ordinary activities	3	-	-
Profit / (loss) for the year	8	29	(1)

There are no recognised gains or losses in the periods other than the profit for the year and the loss in the prior year. All activities are in respect of continuing operations.

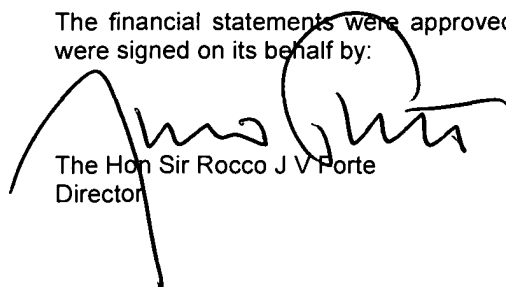
The notes on pages 8 to 12 form part of these financial statements.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited
Company number 5429520

Balance sheet at 30 April 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Investments	4	23	-
Current liabilities			
Creditors: amounts falling due within one year	5	(2)	(2)
		<hr/>	<hr/>
Net current assets/(liabilities) and total assets less current liabilities		21	(2)
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	6	(48)	(54)
		<hr/>	<hr/>
Net liabilities		(27)	(56)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	-	-
Profit and loss account	8	(27)	(56)
		<hr/>	<hr/>
Shareholder's deficit	9	(27)	(56)
		<hr/>	<hr/>

The financial statements were approved by the Board and authorised for issue on 29 September 2015. They were signed on its behalf by:


The Hon Sir Rocco J V. Forte
Director

The notes on pages 8 to 12 form part of these financial statements.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Notes forming part of the financial statements for the year ended 30 April 2015

1 Accounting policies

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

Basis of accounting

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

Basis of preparation: going concern

The Company reports net liabilities for the year and therefore relies on financial support from its parent company, Rocco Forte & Family (Luxury Hotels) Limited. The parent company has indicated that it will not require repayment of intercompany loans before 31 January 2020 to ensure the Company can meet all liabilities as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Investments

Fixed asset investments are shown at cost less allowance for impairment.

Exemption from preparation of group accounts

The Company has taken advantage of section 400 of the Companies Act 2006 and elected not to prepare consolidated accounts as it is included in the consolidated accounts of a larger group. These financial statements show company only results and not those of group.

Cash flow statement

Under the provisions of FRS 1 (Revised 1996) 'Cash Flow Statements', the Company has not prepared a cash flow statement because its ultimate parent company, Rocco Forte Hotels Limited, prepares consolidated accounts. The cash flows of the Company are included in the consolidated cash flow statement.

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 the date or, if appropriate, at any 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 statement.

Exchange differences arising on translation of investments in overseas operations and on foreign currency borrowings to the extent that they hedge the Company's investment in such operations are recorded through reserves.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Notes forming part of the financial statements for the year ended 30 April 2015 (continued)

1 Accounting policies (continued)

Taxation

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

Deferred tax is provided in full on timing differences which 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 rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax 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 balances are not discounted.

Related party disclosures

As a subsidiary of Rocco Forte Hotels Limited the Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by Rocco Forte Hotels Limited.

2 Profit/(loss) on ordinary activities before taxation

Auditor's remuneration for audit services of the Company for the year of £4,000 (2014 - £5,700) and tax compliance fees of £750 (2014 - £1,000) have been borne by its ultimate parent company, Rocco Forte Hotels Limited.

The Company had no employees during the year and the prior year. The Directors received no remuneration in respect of services provided to the Company during the year (2014 - £Nil).

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Notes forming part of the financial statements for the year ended 30 April 2015 (*continued*)

3 Tax on profit/(loss) on ordinary activities

There is no tax payable in 2015 (2014 - £Nil).

There are no deferred tax assets or liabilities as at 30 April 2015 (2014 - £Nil).

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

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before tax	29	(1)
	<hr/>	<hr/>
Tax charge at 20.92% (2014 - 22.84%)	6	-
Effects of:		
Group relief claimed	(1)	-
Impairment charge	(5)	-
	<hr/>	<hr/>
Current tax charge for the year	-	-
	<hr/>	<hr/>

4 Fixed asset investments

	£'000
<i>Cost</i>	
At 1 May 2014	27
Foreign exchange	(4)
	<hr/>
At 30 April 2015	23
	<hr/>
<i>Impairment allowance</i>	
At 1 May 2014	(27)
Release of impairment allowance	23
Foreign exchange	4
	<hr/>
At 30 April 2015	-
	<hr/>
<i>Net book value</i>	
At 30 April 2015	23
	<hr/>
At 1 May 2014	-
	<hr/>

The Company has a 100% investment in Rocco Forte & Family (Luxury Hotels) GmbH, a company incorporated in Germany.

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Notes forming part of the financial statements
for the year ended 30 April 2015 (*continued*)

5 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts due to Group companies	2	2

6 Creditors: amounts falling due after more than one year

	2015 £'000	2014 £'000
Amounts due to Group companies	48	54

Amounts due to Group companies bore an interest rate of 3.4%. On 30 April 2015 the loan was renegotiated and is now due for repayment on 31 January 2020.

7 Called up share capital

The Company has one ordinary share of £1 in issue.

8 Reserves

	Profit and loss account £'000
At 1 May 2014	(56)
Profit for the year	29
	<hr/>
At 30 April 2015	(27)
	<hr/>

9 Reconciliation of movements in shareholder's deficit

	2015 £'000	2014 £'000
Opening shareholder's deficit	(56)	(55)
Profit/(loss) for the year	29	(1)
	<hr/>	<hr/>
Closing shareholder's deficit	(27)	(56)
	<hr/>	<hr/>

Rocco Forte & Family (Luxury Hotels) (Germany) Limited

Notes forming part of the financial statements for the year ended 30 April 2015 (*continued*)

10 Contingent liabilities

The Company is party to a group loan facility over which the Group's bankers have a cross guarantee secured by way of a fixed and floating charge on the assets of certain group companies. The amount outstanding on this facility at 30 April 2015 was £115,143,283 (2014 - £234,165,750).

11 Ultimate parent company and controlling party

On 9 March 2015, the Company's ultimate parent company changed its name from Rocco Forte & Family Limited to Rocco Forte Hotels Limited.

At the year end the Company's immediate parent is Rocco Forte & Family (Luxury Hotels) Limited. Rocco Forte Hotels Limited is the ultimate parent company and is the only group in which the results of the Company are consolidated. Copies of the Group financial statements of Rocco Forte Hotels Limited are publicly available.

The Hon Sir Rocco J V Forte, a Director of Rocco Forte Hotels Limited, and members of his close family control the Company as a result of controlling directly or indirectly 76% of the issued share capital of Rocco Forte Hotels Limited (2014 - 99%).